CITY OF Vancouver WASHINGTON

DATE: October 29, 2021

TO: Anne McEnerny-Ogle, Mayor

City Council

FROM: Natasha Ramras, CFO

Eric J. Holmes, City Manager

RE: **Improving Fire Services – property levy design**

Executive Summary

The November 8 workshop is intended as an opportunity for Council to:

- Review available property tax tools to fund increased fire services cost and fire station resiliency.
- Finalize the overall package and associated revenues.
- Establish direction on the levy design.

Linked under "other resources" at the end of this memorandum is the MRSC Revenue Guide for Washington Cities. Staff strongly recommends Council read the sections for G.O. Bond Excess Levies (Page 33) and Levy Lid Lifts (Pages 44 – 58) of this guide, as well as the other materials delivered on this topic to be best prepared for the November 8 discussion.

Background

At the October 4 session, Council reviewed the request to increase Fire services to the community. The proposal included adding additional 1 Fire Truck, 1 Squad and staffing the new vehicle and the two squad vehicles purchased during 2021 on a 24/7 basis as well as continuing to operate the new fire station 11 with full time professional staff. During the workshop, Council requested considering adding a capital component of replacing two existing fire stations 3 and 6 and seismically remodeling stations 4, 5, 8 to increase the resilience of these fire stations to withstand a seismic event.

Due to a large capital cost portion of the resiliency funding, a combination of ballot measures for operating and capital purposes will likely be required and different property tax tools utilized. These are:

- **Option 1 - Excess levy for capital** combined with a **levy lid lift.** This scenario would include two separate ballot measures, one for a voter approved 20-year excess bond levy for capital and a companion permanent levy lid lift to fund operating cost increases and related vehicle purchases.

- **Option 2 – Two levy lid lift measures.** This scenario would include two separate ballot measures on the same ballot, one for a levy lid lift to support a 9-year debt issue for capital and a companion permanent levy lid lift to fund operating cost increases and related vehicle purchases.

The operating proposal has been well defined. Additional work related to scoping and costing of the resiliency-related capital costs will be necessary before the package is finalized. It is very likely this work will take at least 12 months to complete.

A comparison of the two potential scenarios is included below:

	Option 1	**Option 2**
Total Annual Amount Generated, Operating	**$10 mil**	**10 mil**
Total Amount Generated, Capital, estimated	**$60 mil**	**$60 mil**
Operating Levy Lid Lift, permanent	$0.34	$0.34
Capital Levy Lid Lift 9 yr.		$0.21
Excess Levy: Capital Bond, 20 yr.	$0.12	
Total levy per $1,000 AV, 2021	**$0.46**	**$0.55**
Annual Impact on an owner of a $441,000 House	*$203*	*$243*
Monthly Impact on an owner of a $441,000 House	*~$17*	*~$20*

Both options above anticipate Fire District 5 continuing to support the joint operations in a consistent manner over the foreseeable future, which might mean asking the voters to increase its funding if the property tax revenue is not sufficient to cover the cost of the baseline support and this projected cost increase. District #5 has represented to the City that they anticipate being able to fund their share of service enhancements contemplated here for the foreseeable future.

In addition to the levy design considerations, Council may wish to consider outcomes in the event of a levy not passing at ballot, or one of the City levies not passing at ballot and the impact from similar decision by Fire District 5.

Below is the listing of the cost increases to be funded by the levy, proportionate to the City's funding of the Fire Services, as follows:

Cost Component		One-time Capital Costs (assumes debt financing)	TOTAL ANNUAL COSTS (including annual debt service)
Operating Costs	Staffing and other operating costs		8,992,000
	Vehicle- related annual costs		285,000
Capital Costs	Squad vehicle (1 new)	302,000	
	Ladder truck company (1 new)	2,156,000	
	Station 8 remodel	3,151,000	
	Debt Service to fund Equipment and Facility Remodel		692,000
Station 11	On-Going Funding to Sustain beginning in 2025 Staffing and other operational costs		2,823,000
	TOTAL PROJECTED ANNUAL COST		12,792,000
Total costs represent all-inclusive costs to the system, using 2025 as an example of a full year			

Capital Costs for Resiliency

Replacement of FS 3, 6 and seismic remodel of stations 4, 5 and 8. **~$60 mil.**

With respect to an excess levy or levy lid lift, the Council may also wish to consider recent history of municipal ballot titles across the state. Each community is unique relative to values and expectations of their electorate; that said, according to research compiled by MRSC the results of municipal (city) ballot measures state-wide in the last 5 years were:

Levy Lid Lift:
- All levy lid lift types: 28 measures; 21 pass, 7 fail (71% passage rate)

Excess Bond Levy
- All bond types: 24 measures; 15 pass, 9 fail (62.5% passage rate)

The full, searchable database can be found at Local Ballot Measure Database (mrsc.org).

Revenue Phasing

Currently is not incorporated in the estimates.

Structural Deficit

Property tax levy revenues in the state of Washington are subject to the 1% annual revenue increase limitation plus the value of new construction at the prior year's levy rates. The operating proposal is likely to be funded over the initial 10-year time period but will likely be subject to the structural deficit in the future.

The term structural deficit refers to the fact that the City's general fund revenues do not consistently grow at a rate that is sufficient to keep pace with the growth in demand for services from new population and inflation. This is due to both the structural (statutory) limits of the taxing structure as well as the structural and practical limits to the City limiting its costs. As a result, year over year the real per capital revenue to the City's general fund declines while the cost of services increases. The primary contributing factors since 1990 are:

- The phase out of local business and occupation tax taxes between 1992 and 2001.
- Statewide tax initiatives in the late 1990s and early 2000s (I-695: $30 Car Tab Limitation and I-747: 1% property tax limitation)
- A tightening of the state budget resulting from Initiative-driven revenue impacts and mandates on the state
- Our adjacency to a sales tax free state and the resulting lower per-capital sales tax revenues than other comparable communities.
- The legacy impacts of the Great Recession.
- Growth in population and associated demand for services.

This is representative of dynamics that have influenced the City over time. The City has focused on efficiency, effectiveness, evolving the service delivery model, retiring debt, using one time revenues for one-time expenses, prioritizing services and focused increases in revenues – such as for police or streets - to continue to maintain operations within these constraints.

Other resources

In addition to the above and presentation materials, linked below for your reference and in support of Council's discussion are:

- Ballot measure requirements | Washington Department of Revenue

- The Revenue Guide for Washington Cities and Towns (mrsc.org)

Funding Additional Fire Resources

November 1, 2021

Vancouver City Council Workshop

Natasha Ramras, CFO

Presentation Overview

Provide an overview of available funding options for increased resource in Fire:

- Voted
  - Property Tax Options
- Non-voted

Target Workshop Objectives

Obtain council direction on:

- Ballot design:
  - Levy tool(s) to fund fire service enhancements
  - Inclusion of station resiliency investment
  - Inclusion of permitted property tax exemptions
  - Desired timing of ballot
- Fire Impact Fee development

Prior Council Review

10/4/2021 Council Workshop:

- Reviewed current Fire/EMS performance shortfalls compared to Standard
- Reviewed proposed increases to Fire's current service level to meet Standard of Cover targets
- Council requested adding a Resiliency component
- Council requested staff to bring back additional information on the potential funding sources.

Prior Council Review

Cost Component		One-time Capital Costs (assumes debt financing)	TOTAL ANNUAL COSTS (including annual debt service)
Operating Costs	Staffing and other operating costs		8,992,000
	Vehicle- related annual costs		285,000
Capital Costs	Squad vehicle (1 new)	302,000	
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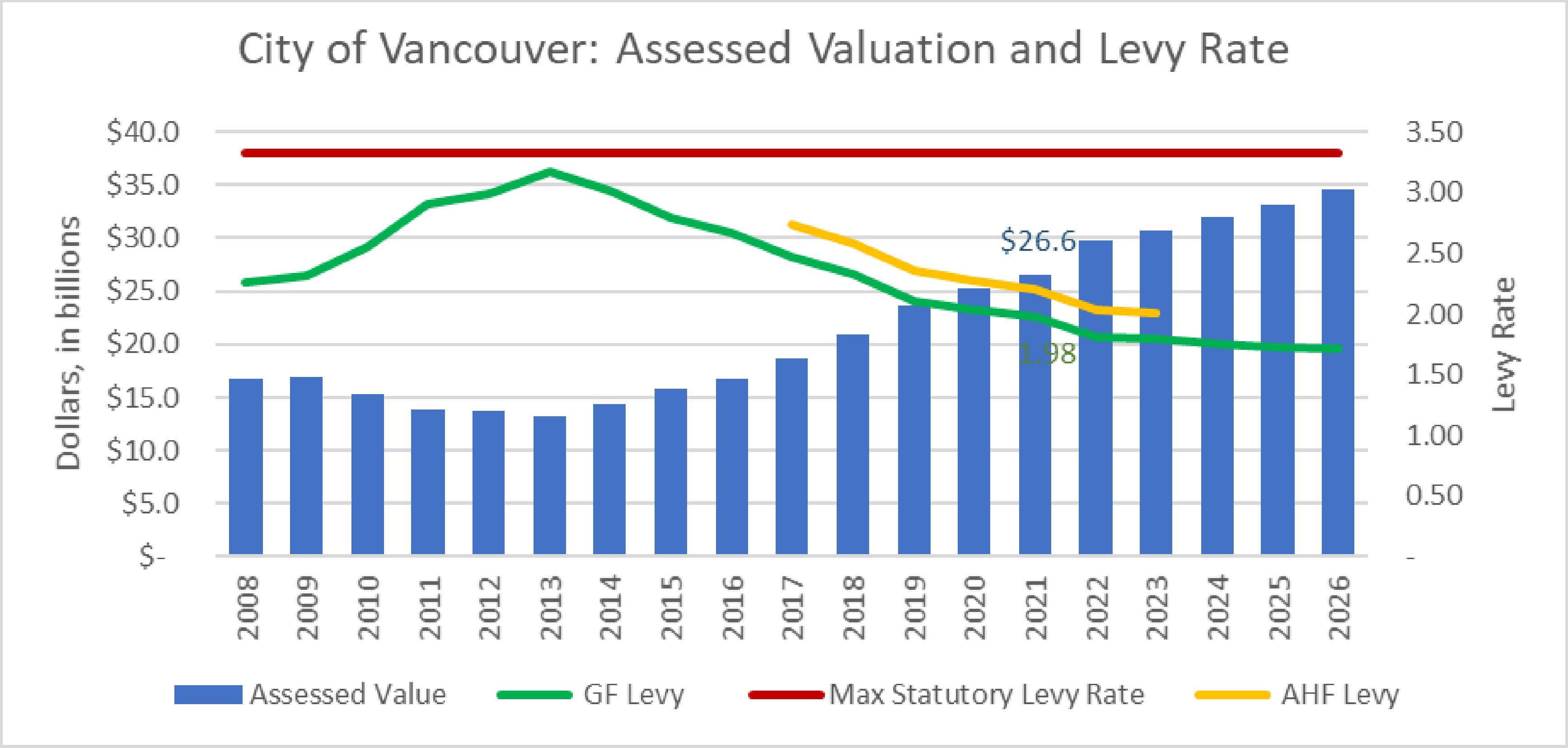
	TOTAL PROJECTED ANNUAL COST		12,792,000
Total costs represent all-inclusive costs to the system, using 2025 as an example of a full year			

Facility Resiliency component

- 5 of 10 existing stations are beyond useful life or do not meet seismic standards for essential facilities
  - Station 3 and 6 – beyond useful life – need replacement and relocation to serve new and future demand
  - Stations 4, 5 and 8 – need seismic/resiliency retrofit
- Reliable costs not available at this time
  - Most recent cost estimate is more than 3 years old
  - New expectations on energy efficiency/climate goals not included
  - Updated cost development is getting underway; likely available Q1 2022
- For purposes of this discussion, replacement and resiliency costs estimated at $60 million

Property Tax: Overview



Property Tax Observations

- Projected General Fund (GF) levy rate in 2022 is $1.8/1,000 assessed value (AV) due to growing assessed valuation of the City
- Projected Affordable Housing Fund (AHF) levy rate in 2022 – additional $0.2/$1,000 AV
- Total City AV is $29.8 billion (2022).
- The City unlikely to trigger the cumulative $5.90 local government levy limitation or the $10/1,000 AV constitutional limit over the next 10 years

Property Tax Increase Tools

Operating:

Permanent EMS Levy

(60%)

Permanent Levy Lid Lift

Single/Multi-yr. (50%)

Capital:

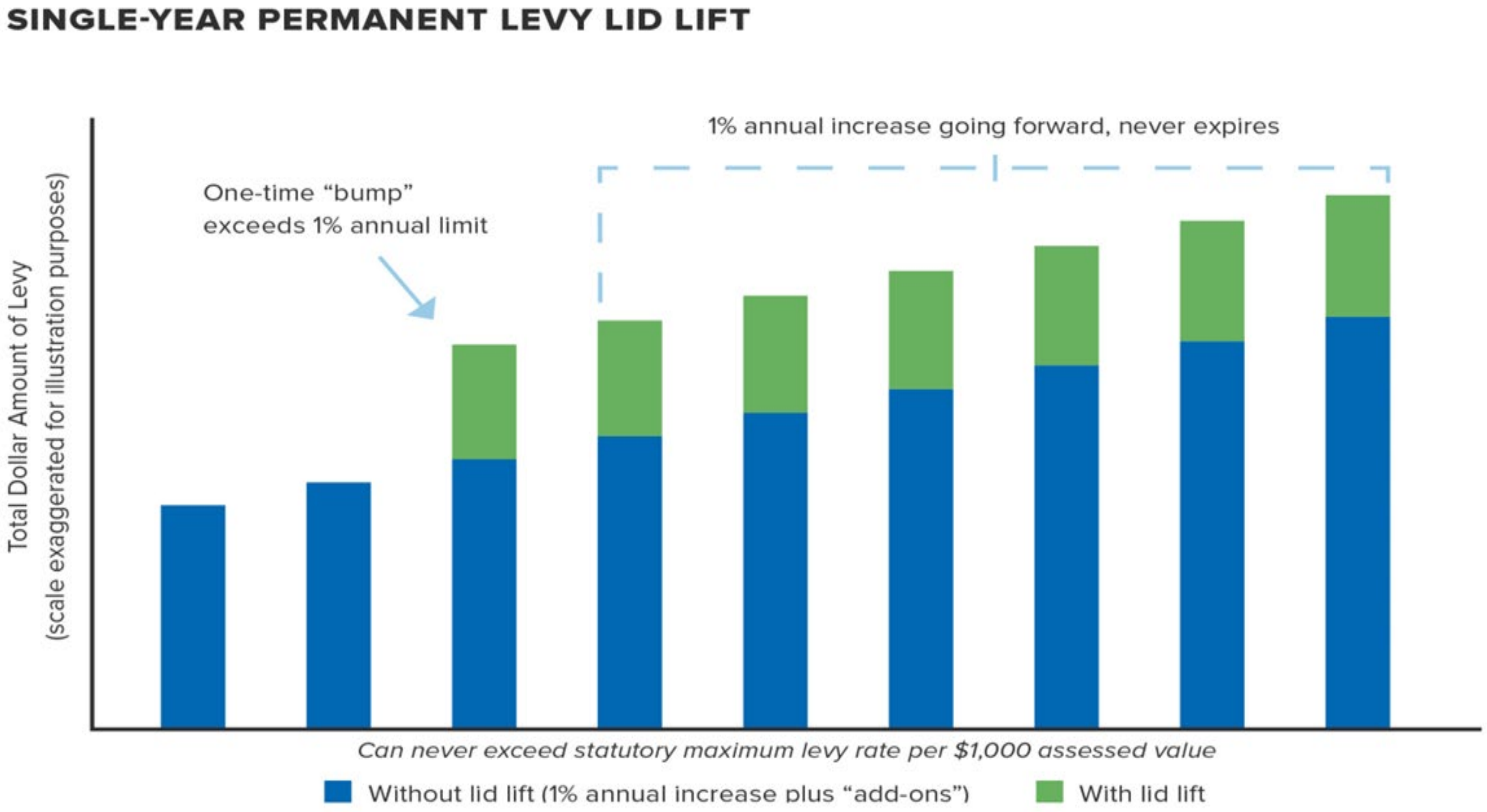
Voted Capital Bond

(20 yrs., 60%)

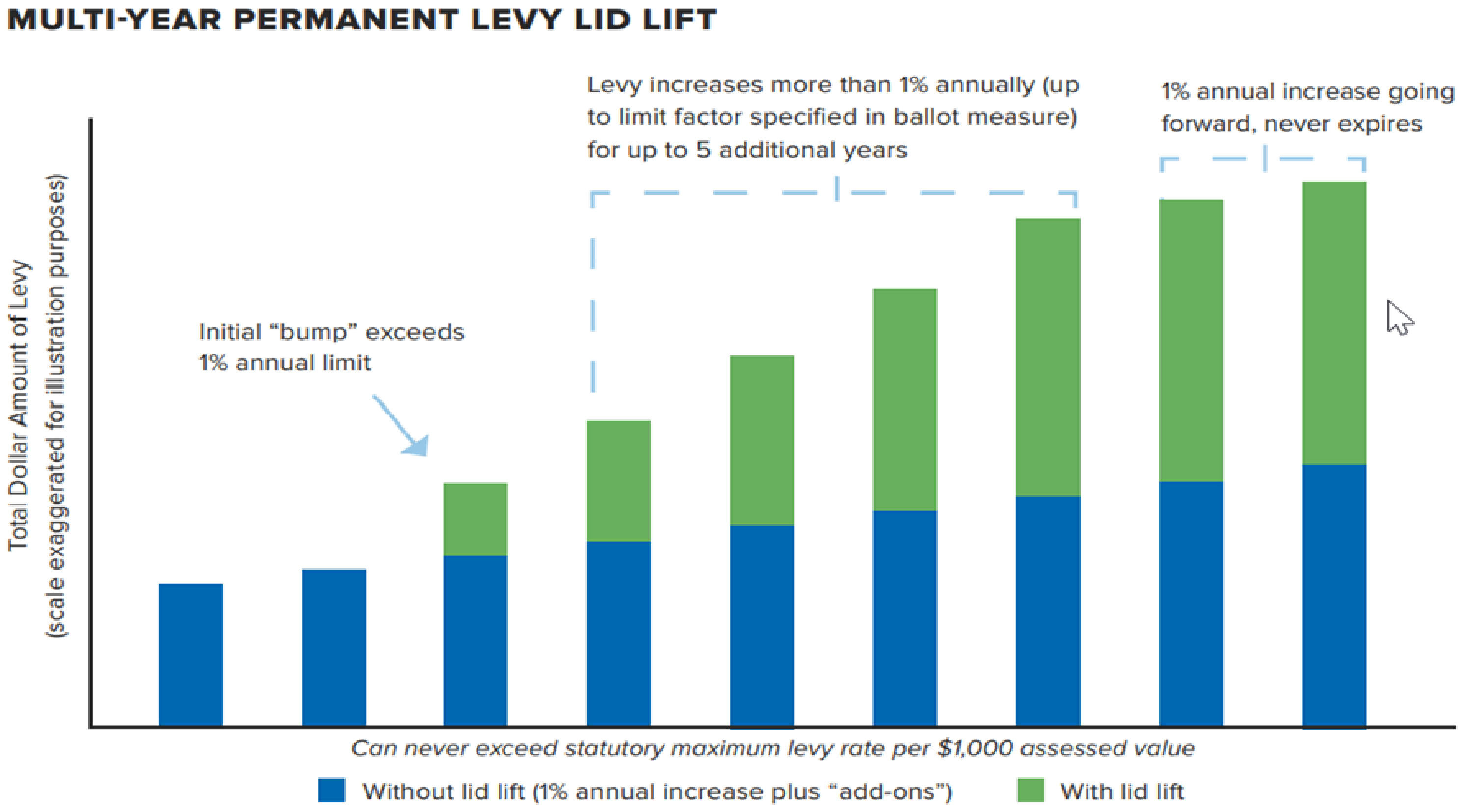
Levy Lid Lift Capital

(9 yrs., 50%)

Property Tax – Single-Year Permanent Levy Lid Lift



Property Tax – Multi-Year Permanent Levy Lid Lift



Property Tax: Levy Lid Lift “Single-Year” v.s. “Multi-Year”

Comparison of Levy Lid Lift Options

	“Single-Year” Option	“Multi-Year” Option
Number of years you can exceed the 1% annual levy limit	1	Up to 6
Temporary option	After Year 1, levy amount increases up to 1% annually for specified number of years. After measure expires, levy reverts as if lid lift never occurred.	Lid lift lasts up to 6 years, with annual limit factor specified by city. After measure expires, levy reverts as if lid lift never occurred.
Permanent option	Year 1 levy is used to calculate all future 1% levy increases	Levy amount in final year is used to calculate all future 1% levy increases
May be used for	Any lawful governmental purpose	Any limited purpose stated in the ballot measure
Supplanting restrictions?	None	Cities within King County may not supplant funds
Election date	Any special, primary, or general election	Primary or general election only
Voter approval required	Simple majority	Simple majority

Use of single-year lift of multi-year lift for debt service triggers a 9 yr. duration limitation

Property Tax: Options for Consideration

Two Purposes: Operating and Capital

Operating

$10 m/yr.

$0.34/$1,000 AV

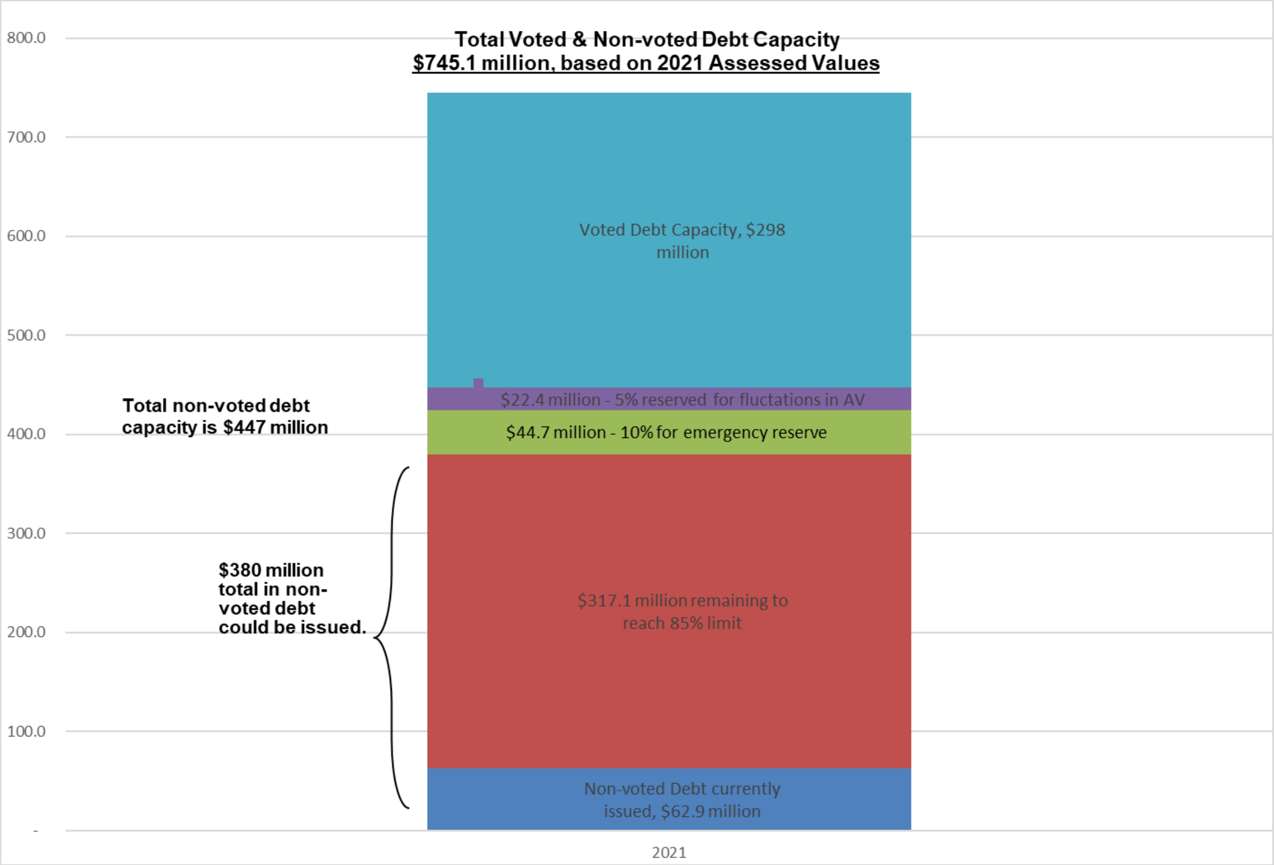
- Single-Year Permanent Levy Lid Lift
- Multi-Year Permanent Levy Lid Lift

Capital

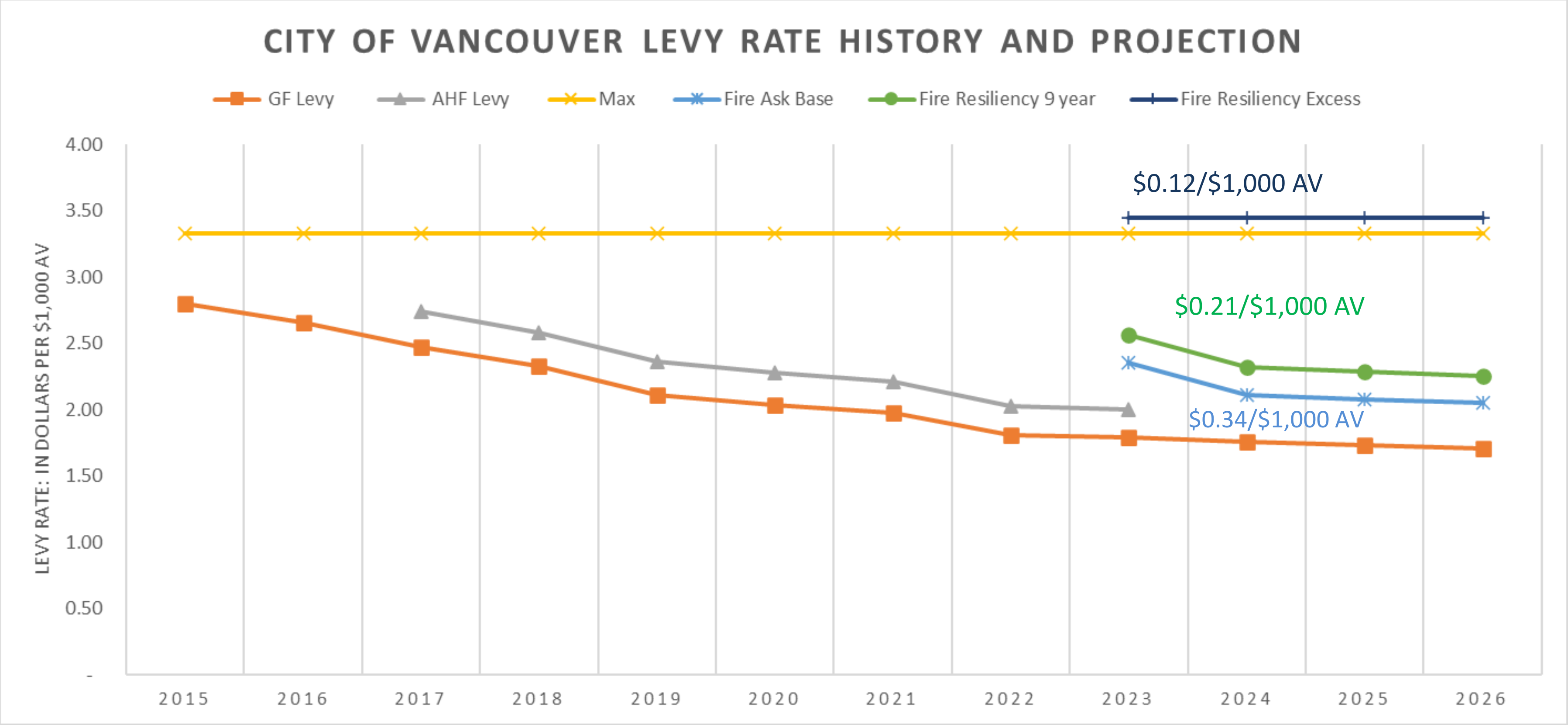
$60 m. Total

- Voted GO Bond (20 yr., $0.12/$1,000)
- Capital Levy Lid Lift (9 yr., $0.21/$1,000)

City of Vancouver: G.O Debt Capacity



Property Tax Levy Rates Projections



Annual Impact on a House Owner

		Levy Rate per $1,000 AV	Impact on an owner of a $441,000 House
Fire Operating	Permanent	$0.34	$150
Fire Capital	9-yr	$0.21	$93
	20-yr	$0.12	$53

CITY OF Vancouver WASHINGTON

Council Discussion & Direction

- Scope of levy(s)?
  - Operating and associated capital
  - Capital for Station resilience
- One or two levy(s) on the ballot?
  - Levy
  - Levy + Bond
    - If Bond included, Levy Lid Lift or Excess Levy?

Council Discussion & Direction

- Type of levy lid lift?
  - Single year
  - Multi year
- Include exemption for senior citizens, disabled veterans, and other people with disabilities (as defined in RCW 84.36.381)?
- Timing of election? (depends on levy or bond type selected)

Discussion and Direction

Other Potential Revenues to Fund New Fire Capital

Fire Impact Fees: Fire impact fees must be used for “fire protection facilities” that are addressed by a capital facilities plan element of a comprehensive plan adopted under the GMA (RCW 82.02.050(4) and RCW 82.02.090(7)).

- Rate study is required (per unit, per sf rates)
- Amendment to comprehensive plan required
- Interlocal agreement with County and Fire District, for unincorporated areas
- Applicable to new development only
- New expanded facilities vs. replacement
- Estimated 18 months to develop and adopt

Next Steps

- Develop recommend ballot language
- Council Resolution of intent
- Election 2022
- Integrate Fire Impact Fee into work program

Questions and Discussion

- Natasha Ramras, CFO
- (360) 487-8484
- Natasha.Ramras@cityofvancouver.us

CITY OF Vancouver WASHINGTON

Item #1.

Staff Report 168-21

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 11/8/2021
11/15/2021

SUBJECT Garbage, Recycling and Organics Collection Rate Increases for 2022

Key Points

- The comprehensive contract between the City of Vancouver and Waste Connections of Washington includes a rate-setting model that allows for an annual Inflation Adjustment Factor (IAF; a combination of the consumer price index and a fuel index) and adjustments to the City Fee to be applied to rates paid by customers.
- Rates paid by customers for garbage, recycling and organics collection services were last modified effective January 1, 2021.
- Rate increases calculated for January 1, 2022, and detailed in the attached ordinance and rate summary sheet, vary based on the type and level of service provided and range from 2.1 percent to 2.4 percent.
- On January 1, 2022, the tipping fee for waste disposal at the three transfer stations located in Clark County will increase by 2.6 percent (or $2.49 per ton) to $99.88 per ton and this also impacts the rates that customers will pay in 2022.
- A review of the Clark County approved per ton processing fee (going from $62.52 per ton to $48.56 per ton) results in changes to the recyclables processing surcharge amounts to be paid by City curbside ($0.81/month decrease) and multi-family ($0.29/month decrease) customers.
- The amounts of the recyclables processing surcharge fees being adopted also reflect a reduction in 2022 to correct for a revised per ton processing fee approved by the County and a billing error by the contractor that resulted in customers paying a bit more than authorized during 2021.
- The subject ordinance amends VMC 6.12.208, 6.12.209, 6.12.210, 6.12.211, 6.12.212, and 6.12.213 to provide for adjustments in solid waste rates effective January 1, 2022.

Strategic Plan Alignment

Goal 1, Objective 1.2: Ensure our infrastructure, including buildings and utilities, is safe, environmentally responsible and well maintained.

Present Situation

City Council is the rate-making authority for garbage, residential recycling, and organics collection services within the City of Vancouver. The City contracts with a private hauling company, Waste Connections of Washington, to provide comprehensive garbage, recycling and organics collection services to residents and businesses within city limits. The contract terms authorize Waste Connections to receive annual adjustments to customer rates based on changing operating conditions including:

- an inflation adjustment factor tied to a percentage of the CPI and fuel costs,
- disposal tip fees,
- the number of customers served and,
- fees paid to the City to support solid waste related programs.

All adjustments to rates are made in accordance with Exhibit D of the contract. Garbage rates also include the City's utility tax that is embedded within them. The City's utility tax does not apply to recycling or organics collection services.

Consistent with the contract, the updated model for 2022 requires an increase of 2.3 percent for garbage rates, while recycling, organics and selected other fees not linked to the disposal tip fee or utility tax, will need to increase by 2.1 percent, effective January 1, 2022. Key reasons for this increase are a 3.29 percent increase in the CPI, a 4.75 percent decrease in the diesel fuel index, and a 2.6 percent increase in the disposal tip fees. For the most typical residential customer with 32gallons per week of garbage, every-other-week recycling and every-other-week organics collection (96gallons for each) this means a monthly rate increase of 0.2 percent, from $33.27 per month to $33.33 per month, or an increase of $0.06.

Inflation Adjustment Factor

Under the contract, collection costs for garbage, recycling and organics adjust at 80 percent of a blended and combined CPI (92 percent) and diesel fuel index (8 percent) – Inflation Adjustment Factor (IAF), which leads to a 2.12 percent increase for the collection cost component, the City Fee and other miscellaneous fees.

Disposal Tip Fees

On January 1, 2022, the disposal tip fee is scheduled to increase $2.49 per ton (or 2.6 percent) from $97.39 per ton to $99.88 per ton. In addition to the allowed CPI increase on the base tip fee (going from $95.72 per ton to $98.08 per ton), this tip fee includes $0.37 per ton for additional work being done under the Clark County contract by Columbia Resource Company at the Central Transfer and Recycling Station ($0.31 of this is new for 2022 related to construction access improvements for safety) as well as $1.43 per ton for a surcharge approved by the Clark County Council in 2017 to make up for lost state funding for regional solid waste programs and planning.

Recycling Fees

The rates proposed for January 1, 2022, include adjustments to curbside (increasing from $3.30 to $3.37) and multi-family collection fees (increasing from $1.33 to $1.36) based on the Inflation Adjustment Factor (2.1%) detailed above as well as adjustments to the recycling processing surcharges which were added April 1, 2019 to recover costs associated with the local response to the global market issues and the ongoing need for supplying quality materials to these markets. Based on a review of operational factors, Clark County has indicated that the $62.52 per ton processing fee in 2021 will be adjusted to $48.56 on January 1, 2022. Through 2021, Vancouver residential customers paid recycling surcharges based on a $68.11 “preliminary” per ton processing fee that was subsequently reduced by the County and Columbia Resource Company after City Council adopted the Vancouver 2021 rates. Also, during 2021 the contractor billed customers using the 2020 approved recycling surcharge rates rather than the lower rates authorized for 2021. Both of these overcharges are offset through a “true up” with 2022 reductions in the amounts of these fees. As a result, the proposed rates reflect a net $0.25/mo. reduction for single family customers and a net $0.20/mo. reduction for multi-family customers. The processing surcharge for curbside customers will decrease from $1.46 per month to $0.81 per month. The processing surcharge for multi-family customers goes from $0.70 per month to $0.29 per month. The combined impact for recycling fee components is a 12.1 percent decrease ($0.58 per month) in curbside recycling charges and a 18.7 percent decrease ($0.38 per month) in multi-family recycling charges.

Organics Fees
The rates proposed for January 1, 2022, include 2.1 percent adjustments to the organics rates, which are tied to the Inflation Adjustment Factor. For the standard subscription service of 96gallons collected every-other-week, the current rate of $7.88 per month adjusts to $8.05 per month. Recommended 2022 rates at other levels of service, following the same every-other-week schedule, are $6.97 for 64-gallon carts, $5.88 for 32-gallon carts, and $4.80 for 20-gallon carts.

Typical Residential Rate Impact
For 2022 overall, the typical residential customer rates for 32gallons of weekly garbage service with recycling and organics collection increases 0.2 percent, or $0.06 per month, under this recommendation. This reflects a $0.47 increase in garbage charges, a net $0.58 decrease in combined recycling collection rate and recycling processing surcharge fees, and a $0.17 increase in the organics charge. Households that have chosen different service levels may experience slightly different rate impacts.

Staff recommends adjusting customer rates as detailed in the Summary of Proposed 2022 Solid Waste Rates to meet the contractual obligations associated with the defined Inflation Adjustment Factor and to set the City Fee amount for the coming year. If approved, all adjustments will be effective January 1, 2022.

Advantage(s)

1. Increasing customer rates maintains the City’s high level of solid waste services including many different options for curbside collection of garbage, recycling and optional organics.
2. The recommendation continues to provide funds for the neighborhood cleanup programs including spring yard debris coupons and fall leaf coupons, Curbside Bulky Item Pickup or Saturday cleanup events and Saturday chipper events, as well as neighborhood mini grants.
3. Assures funds for addressing solid waste code compliance and litter abatement and illegal dumping response across the City.
4. Provides funds for regional Solid Waste programs for administration of the solid waste transfer and disposal system, long-term solid waste management planning, and education and outreach.

Disadvantage(s)

Customers will have rate increases ranging from 2.1 percent to 2.4 percent, depending upon the types and levels of service selected.

Budget Impact

Recommended rate increases will provide the Solid Waste fund with an additional $36,838 per year in revenue for 2022. Increasing solid waste rates also positively impacts the General Fund programs through the embedded 28.9 percent City utility tax on city-owned utilities.

Prior Council Review

- This is an annual rate-setting process for Council.
- Council previously reviewed solid waste rates during the November 16, 2020, public hearings on the 2021 Solid Waste Rates and the 2021-2022 Biennial Budget Council Hearing.

Action Requested

On November 8, 2021, approve ordinance on first reading, setting date of second reading and public hearing for November 15, 2021.

Julie Gilbertson, Solid Waste Supervisor, 360-487-7162; David Galazin, Assistant City Attorney, 360-487-8500

ATTACHMENTS:

- Ordinance
- Summary of Proposed 2022 Solid Waste Rates

11/08/21
11/15/21

ORDINANCE NO. M-______

AN ORDINANCE relating to the collection of solid waste, recyclable materials and organics, and amending certain sections of VMC 6.12 to increase or adjust rates and charges consistent with approved utility user taxes and rates and in accordance with current contracts for the coming year; providing for savings, severability and an effective date.

WHEREAS, solid waste collection, residential recycling, and organics rates within VMC 6.12 were last changed by adoption of Ordinance M-4316 (November 16, 2020), and current rates became effective January 1, 2021; and

WHEREAS, the City's contract for Comprehensive Garbage, Recyclables, and Organics Collection Services, effective April 1, 2019, contains provisions for annual adjustments to rates charged by the Contractor based upon changes in the Consumer Price Index (CPI), a Fuel Index, changes in disposal tipping fees, and changes in the City Fee as calculated through the contract's Exhibit D rate model; and

WHEREAS, the Inflation Adjustment Factor (IAF) for rates set for the 2022 period has been calculated at 2.12% by combining a 3.290 percent increase in the Seattle-Tacoma-Bellevue CPI-W and a 4.75 % percent decrease in the Fuel Index (weighted 92 percent and 8 percent respectively) factored at 80 percent as the allowed annual compensation adjustment for the collection contractor; and

WHEREAS, per Clark County contract provisions with the facility operator, disposal fees at transfer stations used to dispose of waste collected by the Contractor under the specifications of the comprehensive collection contract are set to increase by 2.6 percent to $98.08 per ton of municipal solid waste effective January 1, 2022, and

WHEREAS, Clark County established a recyclables processing fee on February 19, 2019 to be paid for residential recyclables delivered under the waste recycling, transfer and disposal contract with Columbia Resources Company, based on a review of operational factors, revenues and costs, which is to be adjusted to $48.56 per ton on January 1, 2022 (a 22.3% decrease), impacting the recyclables processing surcharge amounts established for City curbside and multi-family customers; and

WHEREAS, the City's comprehensive collection contract also contains provisions for annual adjustments in hauler compensation through rates for recycling and organics collection services based on the above noted changes in the IAF (CPI and fuel index); and

WHEREAS, the City's Financial Management Policies, updated for the 2021-2022 Biennial Budget, provide guidance for balancing current revenues with current operating expenditures (#3), for exercising sound financial estimation of revenues through reasonably conservative but realistic assumptions (#8), for applying the principle of full cost recovery in enterprise (Solid Waste) fund operations (#12), and for maintenance of both working capital (#21) and designated liability funding (#23) reserves; and as these policies are variously addressed through the adjustment of rates and through a proportionate increase to the amount of the annual City Fee paid by the collector as allowed for in Exhibit D; and

WHEREAS, over the last seven years the City's share of market revenues received from the sale of hauler collected recyclable materials has been markedly reduced due to ongoing global recycling market conditions, and as this market factor is not anticipated to be reversed in the near-term, such that an increase to the City Fee has been incorporated into the rates and is warranted and necessary to comply with the noted Financial Policies.

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF VANCOUVER:

Section 1. VMC 6.12.208, adopted by Ordinance M-2665 and last amended by M-4316, is amended as follows:

6.12.208 Residential/multifamily cart rates.

The following table lists rates charged for residential/multifamily cart service:

Curb Service:	**~~2021~~ 2022**
32-gallon cart service	
Weekly collection	~~20.63~~ 21.10 per month
Each additional cart	~~20.63~~ 21.10 per month
Every other week	~~15.47~~ 15.83 per month
Each additional cart	~~15.47~~ 15.83 per month
Once a month	~~9.28~~ 9.50 per month
64-gallon cart service	

Weekly collection	~~41.26~~ 42.20 per month
Each additional cart	~~41.26~~ 42.20 per month
Every other week	~~20.63~~ 21.10 per month
96-gallon cart service	
Weekly collection	~~61.89~~ 63.30 per month
Each additional cart	~~61.89~~ 63.30 per month
20-gallon cart service	
Weekly collection	~~15.47~~ 15.83 per month
Every other week	~~12.38~~ 12.66 per month

Carryout Service:

32-gallon cart service	
Weekly collection	~~30.95~~ 31.65 per month
Each additional cart	~~30.95~~ 31.65 per month

Every other week	~~23.21~~ 23.75 per month
Each additional cart	~~23.21~~ 23.75 per month
Once a month	~~13.92~~ 14.25 per month

64-gallon cart service

Weekly collection	~~51.58~~ 52.75 per month
Every other week	~~43.84~~ 44.85 per month

96-gallon cart service

Weekly collection	~~72.21~~ 73.85 per month

20-gallon cart service

Weekly collection	~~23.21~~ 23.75 per month
Every other week	~~18.57~~ 18.99 per month

Special/Optional Services:

Extra 32-gallon or equivalent (or portion thereof)

Curb	~~8.12~~ 8.31 per pick up
Carryout	~~12.17~~ 12.45 per pick up
Return trip fee	~~11.77~~ 11.02 per trip
Overweight/overfilled cart	Billed as an extra
Cart replacement fee	At cost
Cart delivery, initial	0.00
Cart delivery, subsequent	~~14.64~~ 14.95

Late Fee:

1.5 percent of balance outstanding at thirty days past due date.

Vacation Allowance:

Minimum period of two weeks.

Maximum of three vacations per year.

Section 2. VMC 6.12.209, adopted by Ordinance M-2665 and last amended by Ordinance M-4316, is amended as follows:

6.12.209 Commercial cart rates.

The following table lists garbage rates charged for commercial cart service:

Curb Service:	**~~2021~~ 2022**
32-gallon cart service	
Weekly collection	~~22.94~~ 23.47 per month
Each additional cart	~~22.94~~ 23.47 per month
Every other week	~~17.21~~ 17.60 per month
Each additional cart	~~17.21~~ 17.60 per month
Once a month	~~10.32~~ 10.56 per month
64-gallon cart service	
Weekly collection	~~45.88~~ 46.94 per month
Each additional cart	~~45.88~~ 46.94 per month
Every other week	~~22.94~~ 23.47 per month

96-gallon cart service

Weekly collection	~~68.82~~ 70.41 per month

20-gallon cart service

Weekly cart service	~~17.21~~ 17.60 per month
Every other week	~~13.76~~ 14.08 per month

Carryout Service:

32-gallon cart service

Weekly collection	~~34.41~~ 35.21 per month
Each additional cart	~~34.41~~ 35.21 per month
Every other week	~~25.82~~ 26.40 per month
Each additional cart	~~25.82~~ 26.40 per month
Once a month	~~15.48~~ 15.84 per month

64-gallon cart service

Weekly collection	~~57.35~~ 58.68 per month

Every other week	~~34.41~~ 35.21 per month
96-gallon car service	
Weekly collection	~~80.29~~ 82.15 per month
20-gallon cart service	
Weekly collection	~~25.82~~ 26.40 per month
Every other week	~~20.64~~ 21.12 per month

Special/Optional Services:

Extra 32-gallon or equivalent (or portion thereof)	
Curb	~~8.99~~ 9.20 per pick up
Carryout	~~13.56~~ 13.87 per pick up
Return trip fee	~~11.77~~ 12.02 per trip
Overweight/overfilled cart	Billed as an extra
Cart replacement fee	At cost
Cart delivery, initial	0.00

Cart delivery, subsequent	~~14.73~~ 15.04

Subscription-based commercial organics collection service is available at rates listed in VMC Section 6.12.213.

Late Fee:

1.5 percent of balance outstanding at thirty days past due date.

Vacation Allowance:

Minimum period of two weeks.

Maximum of three vacations per year.

Section 3. VMC 6.12.210, adopted by Ordinance C-33 and last amended by Ordinance M-4316, is amended as follows:

6.12.210 Container rates.*

The following Table 6.12.210 lists garbage rates charged for container service:

Table 6.12.210. (~~2021~~ 2022 Rates)

Regular Containers

Weekly Frequency

Size (In Yards)	1	2	3	4	5	6	7
1	~~$ 141.61~~ $144.87	~~$ 283.22~~ $289.74	~~$ 424.83~~ $434.61	~~$ 566.44~~ $579.48	~~$ 708.05~~ $724.35	~~$ 849.66~~ $869.22	~~$ 991.27~~ $1,014.09
1.5	~~$ 177.01~~ $181.09	~~$ 354.03~~ $362.18	~~$ 531.04~~ $543.26	~~$ 708.05~~ $724.35	~~$ 885.06~~ $905.44	~~$ 1,062.08~~ $1,086.53	~~$ 1,239.09~~ $1,267.61
2	~~$ 212.42~~ $217.31	~~$ 424.83~~ $434.61	~~$ 637.25~~ $651.92	~~$ 849.66~~ $869.22	~~$ 1,062.08~~ $1,086.53	~~$ 1,274.49~~ $1,303.83	~~$ 1,486.91~~ $1,521.14
3	~~$ 283.22~~ $289.74	~~$ 566.44~~ $579.48	~~$ 849.66~~ $869.22	~~$ 1,132.88~~ $1,158.96	~~$ 1,416.10~~ $1,448.70	~~$ 1,699.32~~ $1,738.44	~~$ 1,982.54~~ $2,028.18
4	~~$ 354.03~~ $362.18	~~$ 708.05~~ $724.35	~~$ 1,062.08~~ $1,086.53	~~$ 1,416.10~~ $1,448.70	~~$ 1,770.13~~ $1,810.88	~~$ 2,124.15~~ $2,173.05	~~$ 2,478.18~~ $2,535.23
5	~~$ 424.83~~ $434.61	~~$ 849.66~~ $869.22	~~$ 1,274.49~~ $1,303.83	~~$ 1,699.32~~ $1,738.44	~~$ 2,124.15~~ $2,173.05	~~$ 2,548.98~~ $2,607.66	~~$ 2,973.81~~ $3,042.27
6	~~$ 495.64~~ $507.05	~~$ 991.27~~ $1,014.09	~~$ 1,486.91~~ $1,521.14	~~$ 1,982.54~~ $2,028.18	~~$ 2,478.18~~ $2,535.23	~~$ 2,973.81~~ $3,042.27	~~$ 3,469.45~~ $3,549.32
8	~~$ 637.25~~ $651.92	~~$ 1,274.49~~ $1,303.83	~~$ 1,911.74~~ $1,955.75	~~$ 2,548.98~~ $2,607.66	~~$ 3,186.23~~ $3,259.58	~~$ 3,823.47~~ $3,911.49	~~$ 4,460.72~~ $4,563.41

Regular Containers at Space Constrained Locations (Space Saver Rate)

Weekly Frequency

Size (In Yards)	1	2	3	4	5	6	7
1		~~$ 233.66~~ $239.04	~~$ 311.54~~ $318.71	~~$ 389.43~~ $398.39	~~$ 467.31~~ $478.07	~~$ 545.20~~ $557.75	~~$ 700.97~~ $717.11
1.5		~~$ 311.54~~ $318.71	~~$ 506.26~~ $517.91	~~$ 545.20~~ $557.75	~~$ 739.91~~ $756.95	~~$ 856.74~~ $876.46	~~$ 1,051.45~~ $1,075.66
2		~~$ 389.43~~ $398.39	~~$ 545.20~~ $557.75	~~$ 700.97~~ $717.11	~~$ 934.63~~ $956.14	~~$ 1,090.40~~ $1,115.50	~~$ 1,246.17~~ $1,274.86
3		~~$ 545.20~~ $557.75		~~$ 1,090.40~~ $1,115.50	~~$ 1,401.94~~ $1,434.21	~~$ 1,635.60~~ $1,673.25	~~$ 1,869.25~~ $1,912.28
4		~~$ 700.97~~ $717.11		~~$ 1,401.94~~ $1,434.21		~~$ 2,102.91~~ $2,151.32	
5							
6							
8							

Compactor Containers

Weekly Frequency

Size (In Yards)	1	2	3	4	5	6	7
1	~~$ 317.85~~ $325.16	~~$ 635.70~~ $650.32	~~$ 953.55~~ $975.48	~~$ 1,271.40~~ $1,300.64	~~$ 1,589.25~~ $1,625.80	~~$ 1,907.10~~ $1,950.96	~~$ 2,224.95~~ $2,276.12
1.5	~~$ 397.31~~ $406.45	~~$ 794.63~~ $812.90	~~$ 1,191.94~~ $1,219.35	~~$ 1,589.25~~ $1,625.80	~~$ 1,986.56~~ $2,032.25	~~$ 2,383.88~~ $2,438.70	~~$ 2,781.19~~ $2,845.15
2	~~$ 476.78~~ $487.74	~~$ 953.55~~ $975.48	~~$ 1,430.33~~ $1,463.22	~~$ 1,907.10~~ $1,950.96	~~$ 2,383.88~~ $2,438.70	~~$ 2,860.65~~ $2,926.44	~~$ 3,337.43~~ $3,414.18
3	~~$ 635.70~~ $650.32	~~$ 1,271.40~~ $1,300.64	~~$ 1,907.10~~ $1,950.96	~~$ 2,542.80~~ $2,601.28	~~$ 3,178.50~~ $3,251.60	~~$ 3,814.20~~ $3,901.92	~~$ 4,449.90~~ $4,552.24
4	~~$ 794.63~~ $812.90	~~$ 1,589.25~~ $,1625.80	~~$ 2,383.88~~ $2,438.70	~~$ 3,178.50~~ $3,251.60	~~$ 3,973.13~~ $4,064.50	~~$ 4,767.75~~ $4,877.40	~~$ 5,562.38~~ $5,690.30
5	~~$ 953.55~~ $975.48	~~$ 1,907.10~~ $1,950.96	~~$ 2,860.65~~ $2,926.44	~~$ 3,814.20~~ $3,901.92	~~$ 4,767.75~~ $4,877.40	~~$ 5,721.30~~ $5,852.88	~~$ 6,674.85~~ $6,828.36
6	~~$ 1,112.48~~ $1,138.06	~~$ 2,224.95~~ $2,276.12	~~$ 3,337.43~~ $3,414.18	~~$ 4,449.90~~ $4,552.24	~~$ 5,562.38~~ $5,690.30	~~$ 6,674.85~~ $6,828.36	~~$ 7,787.33~~ $7,966.42
8	~~$ 1,430.33~~ $1,463.22	~~$ 2,860.65~~ $2,926.44	~~$ 4,290.98~~ $4,389.66	~~$ 5,721.30~~ $5,852.88	~~$ 7,151.63~~ $7,316.10	~~$ 8,581.95~~ $8,779.32	~~$ 10,012.28~~ $10,242.54

Note: Above rates are for containers supplied by contractor. Rates for compacted solid waste apply only when such waste has been compacted by any mechanical device prior to its pickup by the collector. Loose waste dumped into the collector's packer truck from a container will be subject to the rates for non-compacted material. However, waste that has been compressed or compacted by any mechanical device and then subsequently dumped into a loose yard container to be picked up by the Contractor shall be subject to compacted container rates only upon prior written approval of the Director.

Special Services:

Special pickups shall be charged the extra yard rate multiplied by the size of the container plus the return trip charge.

	~~2021~~ 2022
One-time delivery/pickup/disposal of 3-yard "Rent-a-Bin"	~~179.50~~ 183.63
Additional "Rent-a-Bin" pickup	~~111.23~~ 113.79
Return trip (blocked container, etc.)	~~17.25~~ 17.62
Lock charge (if manual system used)	~~2.76~~ 2.82 per collection
Subsequent deliveries/moves/replacements	~~31.40~~ 32.06 per trip
Accessibility charge	~~3.92~~ 4.00 per collection
Rollout charge	
Greater than 15 feet	~~3.92~~ 4.00 per collection
Greater than 20 feet	~~6.28~~ 6.41 per collection
Steam cleaning (customer request or requirement)	~~47.09~~ 48.09 per container
Overfill/extra yardage (or portion thereof)	~~17.92~~ 18.33 per event

Overweight charges for container service: If the Contractor identifies that a Customer's disposal weights are consistently in excess of 130 lbs. per loose yard (if charged loose container rates) or 455 lbs. per compacted yard, or per yard of heavy material such as dirt, rock, etc. (if charged compacted container rates) the Contractor may charge a flat overweight surcharge in addition to the regular rates. The surcharge will be equal to the weight in excess of 200 pounds per loose yard or 700 pounds per compacted yard multiplied by the current disposal rates per pound, multiplied by the number of yards serviced per month. The surcharge may also be applied to any extra or special pickups. The Contractor shall not charge the overweight container charge until the on-going overweight account has been brought to the attention of the Director. The Contractor may charge the overweight charge once the Director has investigated the issue and made a written determination as to whether or not the proposed charge is appropriate to the situation.

Late Fee: 1.5 percent of balance outstanding at thirty days past due date.

Vacation Allowance:

Minimum period of two weeks.

Maximum of three vacations per year.

Section 4. VMC 6.12.211, adopted by Ordinance M-2665 and last amended by Ordinance M-4316, is amended as follows:

6.12.211 Drop box and compactor rates.*

The following table lists garbage rates charged for drop box and compactor service:

Regular Service:	**~~2021~~ <u>2022</u>**
Initial placement fee	~~39.21~~ <u>40.04</u> per trip
Moving fee	~~39.21~~ <u>40.04</u> per trip
Steam clean	
(per customer request or as required)	~~4.22~~ <u>4.31</u> per yard
Minimum	~~41.05~~ <u>41.92</u> min
Plus: pickup and redelivery	~~39.21~~ <u>40.04</u> per trip

Trucking Fee (empty and return - roundtrip haul charge):

Drop box	
10-yard	~~153.81~~ <u>157.07</u>
20-yard	~~153.81~~ <u>157.07</u>
30-yard	~~153.81~~ <u>157.07</u>
40-yard	~~153.81~~ <u>157.07</u>
Compactor	
10-yard	~~170.91~~ <u>174.53</u>
20-yard	~~170.91~~ <u>174.53</u>
30-yard	~~170.91~~ <u>174.53</u>
40-yard	~~170.91~~ <u>174.53</u>

Organics Trucking Fee (empty and return - roundtrip haul charge):

Drop box

10-yard	~~109.36~~ 111.68
20-yard	~~109.36~~ 111.68
30-yard	~~109.36~~ 111.68
40-yard	~~109.36~~ 111.68

Compactor

10-yard	~~121.52~~ 124.09
20-yard	~~121.52~~ 124.09
30-yard	~~121.52~~ 124.09
40-yard	~~121.52~~ 124.09

Add disposal pass through at amount of tipping fee and disposal transaction fees or taxes to above charges.

Daily demurrage - Per Day	~~3.67~~ 3.75 per day
Monthly demurrage - Monthly Maximum	~~110.42~~ 112.76 monthly max
Special/modified box rental	
(Lid/screen/winch, etc.) - Per day	~~5.26~~ 5.37 per day
Monthly Maximum	~~158.43~~ 161.78 monthly max

Waiting time

(after first 10 minutes) - Charge Per Minute	~~1.86~~ 1.90 per minute
Mileage Charge (over 10)	~~3.40~~ 3.47 per mile
Locking system	
Materials plus labor - per hour	~~39.21~~ 40.04 per hour
"Check only" service	
(price per container and per check)	~~11.75~~ 12.00
Return trip charge (per container)	~~31.40~~ 32.06

For Organics and/or Yard debris collection drop box service – the noted Organics Trucking Fee applies in place of the regular Trucking Fee, however, the same rates apply to these streams as for all other regular drop box related services, and disposal will be charged at current organics and/or yard debris processing rates.

Late Fee: 1.5 percent of balance outstanding at thirty days past due date.

Section 5. VMC 6.12.212, adopted by Ordinance M-2665 and last amended by Ordinance M-4316, is amended as follows:

6.12.212 Other rates.

The following table lists garbage rates for types of pickup other than those set out in Sections 6.12.208 through 6.12.211:

Bulky item pickup:	~~**2021**~~ **2022**	
Stove	~~17.23~~ 17.59	each
Washing machine	~~18.84~~ 19.24	each
Dryer	~~15.60~~ 15.93	each
Water heater	~~19.15~~ 19.56	each
Refrigerator, freezer	~~31.15~~ 31.81	each
Sofa	~~15.60~~ 15.93	each
Chair	~~12.45~~ 12.71	each
Mattress or box spring	~~14.10~~ 14.40	each
Tires		
Auto/light pickup	~~7.42~~ 7.58	each
with rim	~~11.48~~ 11.72	each
Bus/heavy truck	~~23.26~~ 23.75	each
with rim	~~38.38~~ 39.19	each
Other bulky items	~~16.41~~ 16.76	each

Note: the above rates are for pre-scheduled curbside pick-up at residential locations, however, they also may be applied to commercial and multifamily site pickups. For commercial and multifamily collections additional fees, detailed in VMC 6.12.210, may apply for requested Special Services that differ from the standard pre-scheduled curbside bulky item pickup.

Hourly equipment rental:

Sideloaded compactor truck	~~104.36~~ 106.57	per hour
Rolloff truck/Front Load Compactor Truck	~~107.48~~ 109.76	per hour
Extra labor	~~47.59~~ 48.60	per hour
Overtime rate	Extra labor rate x 1.5	

Section 6. VMC 6.12.213, adopted by Ordinance M-3069 and last amended by Ordinance M-4316, is amended as follows:

6.12.213 Residential recycling fees.

The following fees shall be charged for recycling program costs within the City of Vancouver:

1. *Curbside Recycling*

a. For each dwelling unit in a structure containing from one to four residential dwelling units, $~~3.30~~ 3.37 per month.

b. For each dwelling unit in a structure containing from one to four residential dwelling units, the contractor may invoice a "recyclables processing surcharge" of $~~1.46~~ 0.81 per month.

2. *Multi-family Recycling*

a. Five or more residential dwelling units on a consolidated solid waste collection bill, $~~1.33~~ 1.36 per month per unit.

b. For each dwelling unit in a structure containing five or more residential dwelling units, the contractor may invoice a "recyclables processing surcharge" of $~~0.70~~ 0.29 per unit per month.

The following optional fees shall be charged to those residents or businesses who voluntarily subscribe for service:

Organics Collection Service

Residential Subscription Options:	**~~2021~~ 2022**
Basic subscription, with 96-gallon cart	$~~7.88~~ 8.05 per month
Basic subscription, with 64-gallon cart	~~6.82~~ 6.97 per month
Basic subscription, with 32-gallon cart	~~5.76~~ 5.88 per month
Basic subscription, with 20-gallon cart	~~4.70~~ 4.80 per month
Commercial / Multifamily Subscription Options:	
Every Other Week subscription, with 64-gallon cart	$~~8.76~~ 8.95 per month
Weekly subscription, with 64-gallon cart	~~17.52~~ 17.91 per month
Special/Optional Organics Services:	
Additional 32-gallon equivalent	
(or portion thereof, per volume)	~~3.60~~ 3.68 per pickup
Service restart fee, within one year of last service	~~10.73~~ 10.96
Optional extra cart rental	~~1.78~~ 1.82 per month

Cart replacement fee	At cost
Cart delivery fee, initial	0.00
Cart delivery fee, subsequent (including cart swap request)	~~14.32~~ 14.62

Late fee: 1.5 percent of balance outstanding at 30 days

Vacation allowances in conjunction with garbage service vacations only.

Note: For commercial and multifamily sites participating in Organics collection service, the above subscription rates and Special/Optional Services fees apply so long as the customer is responsible for placing the cart(s) curbside for the scheduled collection day(s). If the cart(s) at these sites is not placed at the curb on collection day(s) and/or if other special services are requested for these sites, then the Special Services fees detailed in VMC 6.12.210 may be added as additional charges for each collection. Depending on location specific challenges, organics collection service may not be offered at all multifamily or commercial sites.

Section 7. Savings. Those ordinances or parts of ordinances which are amended by this ordinance shall remain in full force and effect until the effective date of this ordinance.

Section 8. Severability. If any clause, sentence, paragraph, section, or part of this ordinance or the application thereof to any person or circumstance shall be adjudged by any court of competent jurisdiction to be invalid, such order or judgment shall be confined in its operation to the controversy in which it was rendered and shall not effect or invalidate the remainder of any parts thereof to any person or circumstances and to this end the provisions of each clause, sentence, paragraph, section or part of this law are hereby declared to be severable.

Section 9. Effective date. This ordinance shall become effective as of January 1, 2022, following the date of final adoption.

Read first time:

Ayes: Councilmembers

Nays: Councilmembers

Absent: Councilmembers

Read second time:

PASSED by the following vote:

Ayes: Councilmembers

Nays: Councilmembers

Absent: Councilmembers

SIGNED this ________ day of _________________________, 2021.

____
Anne McEnerny-Ogle, Mayor

Attest:

____
Natasha Ramras, City Clerk

Approved as to form:

____
Jonathan Young, City Attorney

SUMMARY

ORDINANCE NO. __________

AN ORDINANCE relating to the collection of solid waste, recyclable materials and organics, and amending certain sections of VMC 6.12 to increase or adjust rates and charges consistent with approved utility user taxes and rates and in accordance with current contracts for the coming year; providing for savings, severability and an effective date.

The full text of this ordinance will be mailed upon request. Contact Raelyn McJilton, Records Officer at 360-487-8711, or via www.cityofvancouver.us (Go to City Government and Public Records).

SUMMARY OF PROPOSED SOLID WASTE COLLECTION RATES for 1/01/22 as compared to rates in effect since 1/01/21 (3 pages)

$X.XX shaded values are PROPOSED changes based on CPI/Fuel/Tip Fee, City Fee and adjusted Recycling Processing Fee. Changes will be reviewed by Vancouver City Council:

First Reading: 11/08/21

Second Reading/Public Hearing: 11/15/21

The fees are expected to remain unchanged through 2022 (until Jan. 2023).

Questions on the rate changes may be addressed to Julie Gilbertson (360-487-7162)

	Available Service Levels	Monthly Charge Jan-21	Jan-22	Change
	Residential/Multifamily Curb Service (VMC 6.12.208)			
	32-gallon cart service			
A	weekly collection	$20.63	$21.10	2.3%
	each additional	$20.63	$21.10	2.3%
	every other week collection	$15.47	$15.83	2.3%
	each additional cart	$15.47	$15.83	2.3%
	once per month collection	$9.28	$9.50	2.4%
	64-gallon cart service			
	weekly collection	$41.26	$42.20	2.3%
	each additional cart	$41.26	$42.20	2.3%
	every other week collection	$20.63	$21.10	2.3%
	96-gallon cart service			
	weekly collection	$61.89	$63.30	2.3%
	each additional cart	$61.89	$63.30	2.3%
	20-gallon cart service			
	weekly collection	$15.47	$15.83	2.3%
	every other week collection	$12.38	$12.66	2.3%
	Residential Carryout Service			
	32-gallon cart service			
	weekly collection	$30.95	$31.65	2.3%
	each additional cart	$30.95	$31.65	2.3%
	every other week collection	$23.21	$23.75	2.3%
	each additional cart	$23.21	$23.75	2.3%
	once per month collection	$13.92	$14.25	2.4%
	64-gallon cart service			
	weekly collection	$51.58	$52.75	2.3%
	every other week collection	$43.84	$44.85	2.3%
	96-gallon cart service			
	weekly collection	$72.21	$73.85	2.3%
	20-gallon cart service			
	weekly collection	$23.21	$23.75	2.3%
	every other week collection	$18.57	$18.99	2.3%
	Residential Special/Optional Services			
	Extra Cart (32-gallon equivalent)			
	Curb (per pick-up)	$8.12	$8.31	2.3%
	Carryout (per pick-up)	$12.17	$12.45	2.3%
	Return Trip fee	$11.77	$12.02	2.1%
	Overweight/overfilled can	*Billed as an extra*		
	Cart replacement fee	*At cost*		
	Cart Delivery, Initial	$0.00	$0.00	
	Cart Delivery, Subsequent	$14.64	$14.95	2.1%
	Residential Recycling & Organics Curbside (VMC 6.12.213)			
B	Single Family Recycling (EOW)	$3.30	$3.37	2.1%
B'	Recycling Processing Surcharge	$1.46	$0.81	-44.4%
	Multi-Family Recycling (per unit/month)	$1.33	$1.36	2.3%
.	Recycling Processing Surcharge	$0.70	$0.29	-57.7%
C	Single Family Organics (EOW, subscription service)			
	Basic subscription 96-gal cart	$7.88	$8.05	2.2%
	Pg. 3 Lists all Organics Cart Size & Pricing Options			
	Additional 32-gal per pickup	$3.60	$3.68	2.2%
	Service restart fee (<1yr)	$10.73	$10.96	2.1%
	Optional 64-gal Cart Rental	$1.78	$1.82	2.2%
	Cart replacement fee	*At Cost*		
	Cart delivery fee, initial	$0.00	$0.00	
	Cart delivery, subsequent	$14.32	$14.62	2.1%

Standard Service Level for Residential Customers (A + B)

		Jan-21	Jan-22		Change
A	32-Gallon Weekly Garbage	$20.63	$21.10	2.3%	$0.47
B	Single Family Recycling **B + B'**	$4.76	$4.18	-12.1%	-$0.58
	TOTAL A + B (+B')	$25.39	$25.28	-0.4%	-$0.11
C	Single Family Organics (w/basic 96-gal)	$7.88	$8.05	2.2%	$0.17
	TOTAL A + B + C (Organics)	$33.27	$33.33	0.2%	$0.06

Available Service Levels	Monthly Charge Jan-21	Jan-22	Change
Commercial Curb Service (VMC 6.12.209)			
32-gallon cart service			
weekly collection	$22.94	$23.47	2.3%
each additional cart	$22.94	$23.47	2.3%
every other week collection	$17.21	$17.60	2.3%
each additional cart	$17.21	$17.60	2.3%
once per month collection	$10.32	$10.56	2.3%
64-gallon cart service			
weekly collection	$45.88	$46.94	2.3%
each additional cart	$45.88	$46.94	2.3%
every other week collection	$22.94	$23.47	2.3%
96-gallon cart service			
weekly collection	$68.82	$70.41	2.3%
20-gallon cart collection			
weekly collection	$17.21	$17.60	2.3%
every other week collection	$13.76	$14.08	2.3%
Commercial Carryout Service			
32-gallon cart service			
weekly collection	$34.41	$35.21	2.3%
each additional cart	$34.41	$35.21	2.3%
every other week collection	$25.82	$26.40	2.2%
each additional cart	$25.82	$26.40	2.2%
once per month collection	$15.48	$15.84	2.3%
64-gallon cart service			
weekly collection	$57.35	$58.68	2.3%
every other week collection	$34.41	$35.21	2.3%
96-gallon cart service			
weekly collection	$80.29	$82.15	2.3%
20-gallon cart service			
weekly collection	$25.82	$26.40	2.2%
every other week collection	$20.64	$21.12	2.3%
Commercial Special/Optional Services			
Extra Cart (32-gallon equivalent)			
Curb (per pick-up)	$8.99	$9.20	2.3%
Carryout (per pick-up)	$13.56	$13.87	2.3%
Return Trip fee	$11.77	$12.02	2.1%
Overweight/overfilled cart	*Billed as an extra*		
Cart replacement fee	*At cost*		
Cart Delivery, Initial	$0.00	$0.00	
Cart Delivery, Subsequent	$14.73	$15.04	2.1%
Container (Commercial) Special Services (VMC 6.12.210)			
Special Pickup - yard rate X yards + return trip charge			
One Time Delivery/Pickup/Disposal			
of 3-yard "Rent-A-Bin"	$179.50	$183.63	2.3%
Additional "Rent-A-Bin"	$111.23	$113.79	2.3%
Return Trip fee	$17.25	$17.62	2.1%
Lock Charge (automatic system)	$0.00	$0.00	
Lock Charge (manual system)	$2.76	$2.82	2.2%
Subsequent Deliveries/Moves			
Replacements (per trip)	$31.40	$32.06	2.1%
Accessibility Charge	$3.92	$4.00	2.0%
Rollout Charge (per collection)			
Greater than 15 feet	$3.92	$4.00	2.0%
Greater than 20 feet	$6.28	$6.41	2.1%
Steam Cleaning (requested)	$47.09	$48.09	2.1%
Overfilled/Extra Yardage (portion)	$17.92	$18.33	2.3%
Other Garbage Rates (Bulky Items and Hourly - VMC 6.12.212)			
Stove	$17.23	$17.59	2.1%
Washing Machine	$18.84	$19.24	2.1%
Dryer	$15.60	$15.93	2.1%
Water Heater	$19.15	$19.56	2.1%
Refrigerator, Freezer	$31.15	$31.81	2.1%
Sofa	$15.60	$15.93	2.1%
Chair	$12.45	$12.71	2.1%
Mattress or Box Springs	$14.10	$14.40	2.1%
Tires			
auto light pickup	$7.42	$7.58	2.2%
with rim	$11.48	$11.72	2.1%
bus/heavy truck	$23.26	$23.75	2.1%
with rim	$38.38	$39.19	2.1%
Other Bulky Items	$16.41	$16.76	2.1%
Hourly Equipment Rental			
Sideloaded compactor	$104.36	$106.57	2.1%
Rolloff truck	$107.48	$109.76	2.1%
Extra labor	$47.59	$48.60	2.1%
Overtime rate	Extra labor rate X 1.5		

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Available Service Levels	Monthly Charge Jan-21	Jan-22	Change
Commercial Container Service (Non Compacted - VMC 6.12.210)			
One Yard Container (includes disposal w/in weight limits)			
once per week collection	$141.61	$144.87	2.3%
twice per week collection	$283.22	$289.74	2.3%
three collections/week	$424.83	$434.61	2.3%
four collections/week	$566.44	$579.48	2.3%
five collections/week	$708.05	$724.35	2.3%
six collections/week	$849.66	$869.22	2.3%
seven collections/week	$991.27	$1,014.09	2.3%
1.5 Yard Container (includes disposal w/in weight limits)			
once per week collection	$177.01	$181.09	2.3%
twice per week collection	$354.03	$362.18	2.3%
three collections/week	$531.04	$543.26	2.3%
four collections/week	$708.05	$724.35	2.3%
five collections/week	$885.06	$905.44	2.3%
six collections/week	$1,062.08	$1,086.53	2.3%
seven collections/week	$1,239.09	$1,267.61	2.3%
Two Yard Container (includes disposal w/in weight limits)			
once per week collection	$212.42	$217.31	2.3%
twice per week collection	$424.83	$434.61	2.3%
three collections/week	$637.25	$651.92	2.3%
four collections/week	$849.66	$869.22	2.3%
five collections/week	$1,062.08	$1,086.53	2.3%
six collections/week	$1,274.49	$1,303.83	2.3%
seven collections/week	$1,486.91	$1,521.14	2.3%
Three Yard Container (includes disposal w/in weight limits)			
once per week collection	$283.22	$289.74	2.3%
twice per week collection	$566.44	$579.48	2.3%
three collections/week	$849.66	$869.22	2.3%
four collections/week	$1,132.88	$1,158.96	2.3%
five collections/week	$1,416.10	$1,448.70	2.3%
six collections/week	$1,699.32	$1,738.44	2.3%
seven collections/week	$1,982.54	$2,028.18	2.3%
Four Yard Container (includes disposal w/in weight limits)			
once per week collection	$354.03	$362.18	2.3%
twice per week collection	$708.05	$724.35	2.3%
three collections/week	$1,062.08	$1,086.53	2.3%
four collections/week	$1,416.10	$1,448.70	2.3%
five collections/week	$1,770.13	$1,810.88	2.3%
six collections/week	$2,124.15	$2,173.05	2.3%
seven collections/week	$2,478.18	$2,535.23	2.3%
Five Yard Container (includes disposal w/in weight limits)			
once per week collection	$424.83	$434.61	2.3%
twice per week collection	$849.66	$869.22	2.3%
three collections/week	$1,274.49	$1,303.83	2.3%
four collections/week	$1,699.32	$1,738.44	2.3%
five collections/week	$2,124.15	$2,173.05	2.3%
six collections/week	$2,548.98	$2,607.66	2.3%
seven collections/week	$2,973.81	$3,042.27	2.3%
Six Yard Container (includes disposal w/in weight limits)			
once per week collection	$495.64	$507.05	2.3%
twice per week collection	$991.27	$1,014.09	2.3%
three collections/week	$1,486.91	$1,521.14	2.3%
four collections/week	$1,982.54	$2,028.18	2.3%
five collections/week	$2,478.18	$2,535.23	2.3%
six collections/week	$2,973.81	$3,042.27	2.3%
seven collections/week	$3,469.45	$3,549.32	2.3%
Eight Yard Container (includes disposal w/in weight limits)			
once per week collection	$637.25	$651.92	2.3%
twice per week collection	$1,274.49	$1,303.83	2.3%
three collections/week	$1,911.74	$1,955.75	2.3%
four collections/week	$2,548.98	$2,607.66	2.3%
five collections/week	$3,186.23	$3,259.58	2.3%
six collections/week	$3,823.47	$3,911.49	2.3%
seven collections/week	$4,460.72	$4,563.41	2.3%

Available Service Levels	Monthly Charge Jan-21	Jan-22	Change
Commercial Compactor Container Service (VMC 6.12.210)			
One Yard Container (includes disposal)			
once per week collection	$317.85	$325.16	2.3%
twice per week collection	$635.70	$650.32	2.3%
three collections/week	$953.55	$975.48	2.3%
four collections/week	$1,271.40	$1,300.64	2.3%
five collections/week	$1,589.25	$1,625.80	2.3%
six collections/week	$1,907.10	$1,950.96	2.3%
seven collections/week	$2,224.95	$2,276.12	2.3%
1.5 Yard Container (includes disposal)			
once per week collection	$397.31	$406.45	2.3%
twice per week collection	$794.63	$812.90	2.3%
three collections/week	$1,191.94	$1,219.35	2.3%
four collections/week	$1,589.25	$1,625.80	2.3%
five collections/week	$1,986.56	$2,032.25	2.3%
six collections/week	$2,383.88	$2,438.70	2.3%
seven collections/week	$2,781.19	$2,845.15	2.3%
Two Yard Container (includes disposal)			
once per week collection	$476.78	$487.74	2.3%
twice per week collection	$953.55	$975.48	2.3%
three collections/week	$1,430.33	$1,463.22	2.3%
four collections/week	$1,907.10	$1,950.96	2.3%
five collections/week	$2,383.88	$2,438.70	2.3%
six collections/week	$2,860.65	$2,926.44	2.3%
seven collections/week	$3,337.43	$3,414.18	2.3%
Three Yard Container (includes disposal)			
once per week collection	$635.70	$650.32	2.3%
twice per week collection	$1,271.40	$1,300.64	2.3%
three collections/week	$1,907.10	$1,950.96	2.3%
four collections/week	$2,542.80	$2,601.28	2.3%
five collections/week	$3,178.50	$3,251.60	2.3%
six collections/week	$3,814.20	$3,901.92	2.3%
seven collections/week	$4,449.90	$4,552.24	2.3%
Four Yard Container (includes disposal)			
once per week collection	$794.63	$812.90	2.3%
twice per week collection	$1,589.25	$1,625.80	2.3%
three collections/week	$2,383.88	$2,438.70	2.3%
four collections/week	$3,178.50	$3,251.60	2.3%
five collections/week	$3,973.13	$4,064.50	2.3%
six collections/week	$4,767.75	$4,877.40	2.3%
seven collections/week	$5,562.38	$5,690.30	2.3%
Five Yard Container (includes disposal)			
once per week collection	$953.55	$975.48	2.3%
twice per week collection	$1,907.10	$1,950.96	2.3%
three collections/week	$2,860.65	$2,926.44	2.3%
four collections/week	$3,814.20	$3,901.92	2.3%
five collections/week	$4,767.75	$4,877.40	2.3%
six collections/week	$5,721.30	$5,852.88	2.3%
seven collections/week	$6,674.85	$6,828.36	2.3%
Six Yard Container (includes disposal)			
once per week collection	$1,112.48	$1,138.06	2.3%
twice per week collection	$2,224.95	$2,276.12	2.3%
three collections/week	$3,337.43	$3,414.18	2.3%
four collections/week	$4,449.90	$4,552.24	2.3%
five collections/week	$5,562.38	$5,690.30	2.3%
six collections/week	$6,674.85	$6,828.36	2.3%
seven collections/week	$7,787.33	$7,966.42	2.3%
Eight Yard Container (includes disposal)			
once per week collection	$1,430.33	$1,463.22	2.3%
twice per week collection	$2,860.65	$2,926.44	2.3%
three collections/week	$4,290.98	$4,389.66	2.3%
four collections/week	$5,721.30	$5,852.88	2.3%
five collections/week	$7,151.63	$7,316.10	2.3%
six collections/week	$8,581.95	$8,779.32	2.3%
seven collections/week	$10,012.28	$10,242.54	2.3%

**** For Reference Only ****

Tipping Fees at Columbia Resource Company Transfer Stations

	Jan-21	Jan-22	Change
Municipal Solid Waste ($/ ton)	$97.39	$99.88	2.6%
Drop Box Waste ($/ ton)	$86.50	$88.72	2.6%
Plus - Transaction Fee (per load)	$10.00	$10.00	0.0%
Organics Tip Fee ($/ ton)	$84.65	$86.93	2.7%
Yard Debris - West Van ($/ ton)	$68.59	$70.44	2.7%
Yard Debris - CTR ($/ ton)	$69.02	$70.88	2.7%
Recyclables Processing ($/ ton)	$62.52	$48.56	-22.3%

Tiping fees approved by Clark County Public Health

Disposal Fees: (pass through of tipping fee, transaction fee & taxes)

Other Divertable Materials accepted at local transfer stations:
(pass through at current disposal fee or processing rate)

Yard Debris/Organics Fees: (pass through at current rate)

Recycling Processing Surcharge fee (pass through)

10/25/2021 10:00

Available Service Levels	Monthly Charge Jan-21		Jan-22	Change
Space Saver Rate - Regular Containers at Space Constrained Locations (VMC 6.12.210)				
One Yard Container (includes disposal w/in weight limits)				
once per week collection	$141.61		$144.87	2.3%
twice per week collection	$233.66	*	$239.04	2.3%
three collections/week	$311.54		$318.71	2.3%
four collections/week	$389.43		$398.39	2.3%
five collections/week	$467.31		$478.07	2.3%
six collections/week	$545.20		$557.75	2.3%
seven collections/week	$700.97		$717.11	2.3%
1.5 Yard Container (includes disposal w/in weight limits)				
once per week collection	$177.01		$181.09	2.3%
twice per week collection	$311.54	*	$318.71	2.3%
three collections/week	$506.26		$517.91	2.3%
four collections/week	$545.20		$557.75	2.3%
five collections/week	$739.91		$756.95	2.3%
six collections/week	$856.74		$876.46	2.3%
seven collections/week	$1,051.45		$1,075.66	2.3%
Two Yard Container (includes disposal w/in weight limits)				
once per week collection	$212.42		$217.31	2.3%
twice per week collection	$389.43	*	$398.39	2.3%
three collections/week	$545.20		$557.75	2.3%
four collections/week	$700.97		$717.11	2.3%
five collections/week	$934.63		$956.14	2.3%
six collections/week	$1,090.40		$1,115.50	2.3%
seven collections/week	$1,246.17		$1,274.86	2.3%
Three Yard Container (includes disposal w/in weight limits)				
once per week collection	$283.22		$289.74	2.3%
twice per week collection	$545.20	*	$557.75	2.3%
three collections/week	$849.66		$869.22	2.3%
four collections/week	$1,090.40		$1,115.50	2.3%
five collections/week	$1,401.94		$1,434.21	2.3%
six collections/week	$1,635.60		$1,673.25	2.3%
seven collections/week	$1,869.25		$1,912.28	2.3%
Four Yard Container (includes disposal w/in weight limits)				
once per week collection	$354.03		$362.18	2.3%
twice per week collection	$700.97	*	$717.11	2.3%
three collections/week	$1,062.08		$1,086.53	2.3%
four collections/week	$1,401.94		$1,434.21	2.3%
five collections/week	$1,770.13		$1,810.88	2.3%
six collections/week	$2,102.91		$2,151.32	2.3%
seven collections/week	$2,478.18		$2,535.23	2.3%
Five Yard Container (includes disposal w/in weight limits)				
once per week collection	$424.83		$434.61	2.3%
twice per week collection	$849.66		$869.22	2.3%
three collections/week	$1,274.49		$1,303.83	2.3%
four collections/week	$1,699.32		$1,738.44	2.3%
five collections/week	$2,124.15		$2,173.05	2.3%
six collections/week	$2,548.98		$2,607.66	2.3%
seven collections/week	$2,973.81		$3,042.27	2.3%
Six Yard Container (includes disposal w/in weight limits)				
once per week collection	$495.64		$507.05	2.3%
twice per week collection	$991.27		$1,014.09	2.3%
three collections/week	$1,486.91		$1,521.14	2.3%
four collections/week	$1,982.54		$2,028.18	2.3%
five collections/week	$2,478.18		$2,535.23	2.3%
six collections/week	$2,973.81		$3,042.27	2.3%
seven collections/week	$3,469.45		$3,549.32	2.3%
Eight Yard Container (includes disposal w/in weight limits)				
once per week collection	$637.25		$651.92	2.3%
twice per week collection	$1,274.49		$1,303.83	2.3%
three collections/week	$1,911.74		$1,955.75	2.3%
four collections/week	$2,548.98		$2,607.66	2.3%
five collections/week	$3,186.23		$3,259.58	2.3%
six collections/week	$3,823.47		$3,911.49	2.3%
seven collections/week	$4,460.72		$4,563.41	2.3%

*Note: For Space Saver Rates, the darker shaded cells indicate collection frequencies where space constrained customers will experience savings

Note: As a consequence of offering new "Space Saver" rates, all other commercial container rates increased 0.5% one time (before CPI/fuel/tip fee/etc. adjustments) for 2020. This increment of increase applied to all scheduled container service levels in VMC 6.12.210

Available Service Levels	Monthly Charge Jan-21	Jan-22	Change
Drop Box and Compactor Services (VMC 6.12.211)			
Regular Service (pass through amount of tipping fee and transaction fee taxes)			
Initial Placement (per trip)	$39.21	$40.04	2.1%
Moving Fee (per trip)	$39.21	$40.04	2.1%
Steam Clean (per yard)	$4.22	$4.31	2.1%
Minimum (Plus P/R)	$41.05	$41.92	2.1%
Box placement/move onsite	$39.21	$40.04	2.1%
Daily Demurrage	$3.67	$3.75	2.2%
Monthly Demurrage (Max.)	$110.42	$112.76	2.1%
Special/Modified Box Rent			
(lid,screen,winch/day)	$5.26	$5.37	2.1%
monthly maximum	$158.43	$161.78	2.1%
Waiting Time (per minute)	$1.86	$1.90	2.2%
Mileage Charge (over 10/mi)	$3.40	$3.47	2.1%
Locking System (materials plus labor @: per hr)	$39.21	$40.04	2.1%
"Check Only" (per check)	$11.75	$12.00	2.1%
Return Trip Charge	$31.40	$32.06	2.1%
Drop Box Trucking Fee (empty & return - roundtrip) (VMC 6.12.211)			
10-yard			
Drop Box	$153.81	$157.07	2.1%
Compactor	$170.91	$174.53	2.1%
20-yard			
Drop Box	$153.81	$157.07	2.1%
Compactor	$170.91	$174.53	2.1%
30-yard			
Drop Box	$153.81	$157.07	2.1%
Compactor	$170.91	$174.53	2.1%
40-yard			
Drop Box	$153.81	$157.07	2.1%
Compactor	$170.91	$174.53	2.1%

Drop Box ORGANICS Trucking Fee (roundtrip haul - VMC 6.12.211)
Other VMC 6.12.211 service rates apply to Organics drop boxes/compactors.

	Jan-21	Jan-22	Change
10-yard			
Drop Box	$109.36	$111.68	2.1%
Compactor	$121.52	$124.09	2.1%
20-yard			
Drop Box	$109.36	$111.68	2.1%
Compactor	$121.52	$124.09	2.1%
30-yard			
Drop Box	$109.36	$111.68	2.1%
Compactor	$121.52	$124.09	2.1%
40-yard			
Drop Box	$109.36	$111.68	2.1%
Compactor	$121.52	$124.09	2.1%

Organics Tip Fees: (pass through at current material processing rate)
2022 West Van Organics Tip Fee ($/ ton): **$86.93** 2.7%

Organics Collection Service (Yard Debris + Food)

Residential/Commercial ORGANICS Fees (VMC 6.12.213)

Residential Subscription Options:

Single Family Organics - subscription service, every other week collection

		Jan-21	Jan-22	Change
C	96-gallon cart (EOW)	$7.88 *	**$8.05 ***	2.2%
	64-gallon cart (EOW)	$6.82	$6.97	2.2%
	32-gallon cart (EOW)	$5.76	$5.88	2.2%
	20-gallon cart (EOW)	$4.70	$4.80	2.2%

*Basic Rate (Pg 1) charge **C**

Commercial / Multifamily Subscription Options:

64-gallon cart service	Jan-21	Jan-22	Change
every other week collection	$8.76	$8.95 **	2.2%
weekly collection	$17.52	$17.91 **	2.2%

**Indicated monthly Commercial/Multi-Family Organics rates apply if carts are set at the curb for scheduled collection days - other 'Special Services' detailed in VMC 6.12.210 may be added as additional charges for each collection if the cart(s) are not placed at the curb. Depending on location specific challenges, organics collection service may not be offered at all multifamily or commercial sites.

10/25/2021 10:00

Staff Report 169-21

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 11/8/2021

SUBJECT Fourth Plain Commons Community Center funding & purchase

Key Points

- The Fourth Plain Commons Project is a collaboration between the City of Vancouver and the Vancouver Housing Authority (VHA) and consists of construction of a 6-story condominium building with a 9,758 square foot community center on the first floor and 106 affordable housing units on floors 2-6 on vacant land owned by the VHA.
- The first-floor community space (the “Commons Community Center”) will consist of a community gathering space, an outdoor plaza with infrastructure for the Vancouver Farmer’s Market and other events, a shared office space for on-site supportive services, and a commercial kitchen incubator to support food entrepreneurship and events.
- Completion of the Fourth Plain Commons Project is dependent on providing adequate parking to residents and the City can help facilitate the affordable housing component by granting the VHA an easement to use certain vacant land located on the back half of the International District Fire Station 2 lot, adjacent to the Project. This Parking, Access, and Utilities Easement (“Parking Easement”) requires the VHA to construct all improvements to build a parking lot, restricts the VHA’s use to the Fourth Plains Commons Project, and requires that certain statutory affordable housing criteria be met or the property and all improvements revert back to the City.
- The City has received a commitment from HUD for a Section 108 loan of approximately $4,199,000 to support the purchase and build out of the Commons Community Center.
- The City plans to allocate $300,000 annually in CDBG funds to make payments on the Section 108 loan. Community Center Program income, less expenses, will also be used to repay the Section 108 loan. The final amount of debt serviced annually will be determined by the final amount of the loan.
- VHA’s construction of the project will begin in November 2021 and take approximately 13 months.
- The next step in for the City’s participation in the project requires City Council approval for the City’s acquisition of the Commons Community Center, contingent upon the Section 108 loan funding, through a Purchase and Sale Agreement (“PSA”), approval of the Parking Easement and the Section 108 Loan agreements.

Strategic Plan Alignment

Goal 3, Objective 3.2: Improve services available to underserved or vulnerable residents.

Present Situation

Commons Community Center

Fourth Plain Commons is a mixed-use project to be constructed in a low-income census tract (427.00) in the Fourth Plain Corridor. The development is a partnership between the City of Vancouver and the Vancouver Housing Authority and consists of two separate components: the Commons Community Center on the first floor and an 106-unit affordable housing development, located on floors 2-6. CDBG funds previously appropriated for this project will be used to support the community center, plaza, and shared space only.

The Commons Community Center will consist of a 9,758 square foot community space and is envisioned as a flexible area where people from the Fourth Plain community can gather, hold events, and access services. This space will include a commercial kitchen, office space for nonprofits to provide supportive services, a community gathering space, an outdoor space with infrastructure for farmers markets and food carts, and a space for business incubation for food entrepreneurship. Construction on this project is scheduled to begin in November 2021 and take approximately 13 months.

Based on the Council-approved Section 108 Loan application, the City received approval from HUD in September to move forward with the loan authorization. The Section 108 loan program provides Community Development Block Grant (CDBG) jurisdictions the opportunity to leverage up to five times the jurisdiction's annual CDBG grant allocation. The loan is low-cost, flexible financing for economic development, public facility, and infrastructure projects. Currently, the City of Vancouver is eligible to borrow up to $4,199,000 of Section 108 loan funds. Approval of the Section 108 loan contract will be considered under separate Council action.

The Section 108 loan will be used to support the purchase and buildout of the Commons Community Center including a percentage of onsite infrastructure including sewer, water, sidewalks, the foundation, etc. Any revenue generated from the Commons Community Center after expenses will be used to pay back the loan. Additionally, the City will set aside CDBG funds up to $300,000 annually to make payments. The annual debt payments will be calculated based on LIBOR plus 20 points and the amount of money that is borrowed.

Purchase and Sale Agreement (PSA)

The Purchase and Sale Agreement provides the terms and conditions by which the City will acquire a commercial condominium unit containing approximately 19,006 square feet including interior space for a community center, a public plaza, and playground as part of an affordable housing project on vacant land located at 2200 Norris Road, Vancouver, Washington. The construction period is approximately 13 months. Under the PSA, the VHA, through 2200 Norris LLP, its Low-Income Housing Tax Credit partnership, will develop and construct certain improvements on the property that will include a comprehensive build out of a residential condominium with 106 low-income apartment units and related amenities and construction of the City's commercial condominium unit containing a warm vanilla building shell for the community center, in accordance with plans and specifications referenced in the PSA. The plans and specifications are very large architectural and engineering files, however these documents are available for review upon request.

The purchase price for the commercial unit is a not-to-exceed price of $5,500,000 based on the total development cost of the Commons Community Center and the commercial unit's proportionate share of costs of shared improvements for the project. The City's obligation to perform under the PSA is contingent upon approval of the Section 108 loan. Payment of the purchase price and closing of the PSA transaction will occur once the Project is deemed complete upon issuance of certification of substantial completion, in conformance with the PSA plans, by 2200 Norris LLP's architect pursuant to the industry standard AIA G704 Certificate of Substantial Completion Form. VHA is financing construction of the project and the City will pay the purchase price at Closing.

A draft form of the Purchase and Sale Agreement is attached. The substantive terms of the transaction have been mutually agreed upon by the parties and minor edits may still be necessary to prepare the execution form of the PSA.

Parking, Access, and Utilities Easement Agreement

The Parking, Access, and Utilities Easement Agreement is a condition of the Purchase and Sale Agreement and is intended to be granted concurrent with execution of the Purchase and Sale Agreement. The easement will provide for additional parking to support the Commons Project through construction of a parking lot on the vacant land portion of Fire Station #2's parcel. The parking lot will be constructed at VHA's sole expense, subject to an ongoing shared maintenance agreement with the City for the community center's proportionate use and will be available for use by residents of the Commons Project and the City.

The Parking Easement is excluded from the City's surplus property requirements pursuant to Vancouver Municipal Code 3.30.020(B)(3) as an intergovernmental transfer of property rights from the City to VHA, subject to RCW 39.33.015, for the public benefit purpose of providing related facilities, the parking lot, supporting the goals of affordable housing development in accordance with the requirements of RCW 39.33.015(8)(a) and RCW 43.63A.510 ("Public Benefit Purpose"). The Parking Easement contains a covenant that the land must be continuously used for and comply with the Public Benefit Purpose affordable housing requirements, otherwise the easement will terminate, and the parking lot improvements will become property of the City.

A draft form of the Parking, Access, and Utilities Easement Agreement is attached. The substantive terms of the easement have been mutually agreed upon by the parties and minor edits may still be necessary to prepare the execution form of the Parking Easement. The Parking Easement will be executed and recorded concurrent with the PSA, conditioned on the VHA's fulfillment of the affordable housing Public Benefit Purpose requirements.

Advantage(s)

1. Funds development of vibrant community space serving a vulnerable population in the city of Vancouver.
2. Provides co-located supportive services to people living in affordable housing.

3. Supports business development through a business incubation space and resources for business owners.

Disadvantage(s)

Part of the annual CDBG funding allocation from HUD will be utilized for debt service on this note for up to 20-years.

Budget Impact

The budget appropriation for the cost of the 2021 Section 108 Loan as well as issuance costs is included in the 2021/2022 Budget.

Prior Council Review

- July 26, 2021 - Council authorization of Section 108 loan application (Staff Report 111-21)
- January 11, 2021 - City Council workshop, Fourth Plain Commons Update
- November 16, 2020 - Council adoption of Biennial Budget (Staff Report 166-20)
- August 3, 2020 - City Council briefing, Commons Funding Overview

Action Requested

Adopt a resolution approving the transactions contemplated by the draft Purchase and Sale Agreement and the draft Parking, Access, and Utilities Easement Agreement and authorizing the City Manager or his designee to sign the PSA, Easement, and all related documents necessary to facilitate the development, construction, and acquisition of the commercial condominium unit of the Fourth Plain Commons Project.

Peggy Sheehan, Community Development Programs Manager, 360-487-7952; Becky Rude, Assistant City Attorney, 360-487-8500

ATTACHMENTS:

- Resolution
- Form of Purchase and Sale Agreement
- Form of Parking Easement

11/1/2021

RESOLUTION NO. M-_____

A RESOLUTION relating to the Fourth Plain Commons project; providing approval for and authorizing the City Manager to execute a Purchase and Sale Agreement and a Parking, Access, and Utilities Easement Agreement.

WHEREAS, the Fourth Plain community is the most diverse in the City of Vancouver with a higher rate of poverty than most areas of the city, and the City of Vancouver's Fourth Plain Forward Initiative aims to strengthen and support the Fourth Plain community; and

WHEREAS, the Fourth Plain Subarea Plan, adopted in 2007, aimed to address the concerns of residents and businesses in central Vancouver by creating an urban design plan, streetscape plan and development strategy to integrate community aspirations into the City's goals of developing a vibrant and inviting corridor; and

WHEREAS, the Fourth Plain Forward Action Plan was developed in 2015 to continue implementation of the Fourth Plain Subarea Plan; and

WHEREAS, the Fourth Plain Commons project was developed to help advance the goals and policies in the Fourth Plain Subarea Plan and directly make progress on two Fourth Plain Action Plan goals: To create a growth pipeline for food entrepreneurs (Goal 3) and to foster inclusive transit-oriented development (Goal 5).; and

WHEREAS, the Fourth Plain Commons is a future mixed-use condominium development project that will include 106 units of affordable housing on floors 2-6 and a ground floor community space, including a shared office space, commercial kitchen incubator, event space, plaza, and play area that will bring much needed affordable housing and upstream community development services to the Fourth Plain corridor; and

WHEREAS, the Fourth Plain Commons is a collaboration between the Housing Authority of the City of Vancouver, a public body corporate and politic of the State of Washington, (VHA) and the City of Vancouver, creating a mixed-use condominium where VHA will control and operate the residential space containing 106 low-income housing units and the City of Vancouver will, pursuant to a Purchase and Sale Agreement negotiated between the City and VHA, own and operate the ground floor community-serving commercial space; and

WHEREAS, the City of Vancouver received Department of Housing and Urban Development (HUD) approval on a Section 108 loan request that will help fund the purchase price for the City's portion of the Fourth Plain Commons project; and

WHEREAS, the City and the VHA have negotiated a Parking, Access, and Utilities Easement Agreement as a condition of the Purchase and Sale Agreement because the Fourth Plan Commons project requires additional parking to fulfill its low-income housing objectives and the City has unused vacant land adjacent to the Fourth Plain Commons Project; and

WHEREAS, the City and VHA wish to enter into an agreement whereby VHA will construct upon the easement area a parking lot, at VHA's sole expense, available for use by the Commons Project and subject to a covenant requiring that use of the parking lot and easement be designated and continuously used for the public benefit purpose of providing related facilities supporting the goals of affordable housing development in accordance with the requirements of RCW 39.33.015(8)(a) and RCW 43.63A.510; and

WHEREAS, the disposition of the vacant land under the Parking, Access, and Utilities Easement Agreement, being subject to RCW 39.33.015, is excluded from the City's surplus property requirements as an intergovernmental transfer of property rights pursuant to Vancouver Municipal Code 3.30.020(B)(3) and the easement is granted contingent upon the VHA's fulfillment of its obligations under the Purchase and Sale Agreement;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY OF VANCOUVER:

Section 1. The City Manager or his designee is hereby authorized to execute a "Purchase and Sale Agreement" with the Housing Authority of the City of Vancouver, a public body corporate and politic of the State of Washington, and any ancillary documents necessary to fulfill the City's obligations thereunder, for the City's acquisition of the commercial unit of the Fourth Plain Commons Condominium located at 2200 Norris Road, Vancouver, Washington.

Section 2. The City Manager or his designee, is hereby authorized to execute a "Parking, Access, and Utilities Easement Agreement" with the Housing Authority of the City of Vancouver, a public body corporate and politic of the State of Washington, granting that certain access and parking easement, subject to certain public benefit purpose requirements, to the vacant land portion of the City's property located 2106 Norris Road, Vancouver, Washington for the VHA to construct a parking lot in support of its adjacent low-income housing project, and to execute any ancillary documents necessary to fulfill the City's obligations related to this easement agreement.

ADOPTED at a Regular Meeting of the Vancouver City Council this ______, of __________________________, 2021.

____
Anne McEnerny-Ogle, Mayor

Attest:

Natasha Ramras, City Clerk

Approved as to form:

Jonathan Young, City Attorney

CONDOMINIUM UNIT PURCHASE AND SALE AGREEMENT

THIS CONDOMINIUM UNIT PURCHASE AND SALE AGREEMENT (the "Agreement") is entered into by and between **Housing Authority of the City of Vancouver**, a public body corporate and politic of the State of Washington (the "Seller") and the **City of Vancouver**, a Washington municipal corporation (the "Purchaser") as of the ____ day of November, 2021 (the "Effective Date").

NOW, THEREFORE, Seller and Purchaser agree as follows:

I. PURCHASE AND SALE

1.1 Property. Pursuant to the terms and conditions of this Agreement, Seller hereby agrees to sell to Purchaser, and Purchaser hereby agrees to buy from Seller, a portion of that certain condominium located at 2200 Norris Road, Vancouver, Washington and legally described in **Exhibit A** attached hereto (the "Property"), which is referred to as "Unit 2" or the "Commercial Unit" of the Fourth Plain Commons Condominium. No personal property is included in the sale of the Commercial Unit.

1.2 Construction of Improvements to Condominium.

1.2.1 Seller owns the Property, which is subject to the condominium form of ownership and consists of two separate legal parcels or condominium units which will be referred to as the "Residential Unit" and "Commercial Unit" (collectively, the "Condominium"). The Condominium is governed by that Declaration of Condominium for Fourth Plain Commons Condominium, which will be recorded in the records of the Clark County Recording Department (the "Declaration") along with a map prepared in accordance with RCW 64.90.245(the "Map"). The Declaration and Map shall be referred to herein as the "Condominium Documents."

1.2.2 The Property is also subject to that certain Lease Agreement between Seller, as Lessor, and 2200 Norris LLLP, a Washington limited liability limited partnership ("2200 Norris"), as Lessee, dated as of the Effective Date (the "Norris Lease").

1.2.3 As of the Effective Date, the Property is unimproved real property, but 2200 Norris intends to construct certain improvements on the Property that will include a comprehensive build out of the Residential Unit and construction of a warm vanilla building shell for the Commercial Unit. Once construction of the Condominium is complete, the Residential Unit will consist of 106 apartment units and related improvements, and the Commercial Unit will consist of non-residential space that includes a community center, public plaza, and playground (collectively, the "Project"). Further descriptions of the Project are provided in the Plans and Project Use Description attached as **Exhibits B-1 and B-2**, respectively.

1.2.4 Changes may be made to the Plans during development of the Project, including but not limited to changes due to regulatory requirements, code revisions, or as a result of the specification process for mechanical, electrical and plumbing; provided, however, Seller shall keep Purchaser apprised on a timely basis of all changes made to the Plans that affect the

Commercial Unit and shall not make any changes that would have a substantive impact on the square footage, design, quality, or construction of the Commercial Unit without Purchaser's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Seller shall ensure that the Project is constructed in substantial conformance with the Plans and construction shall be deemed complete upon certification of substantial completion of the Project by Norris 2200's architect pursuant to the industry standard AIA G704 Certificate of Substantial Completion Form (the "Completion Date").

1.2.5 Throughout the period of time during which the Project is being constructed, Seller shall ensure that meetings are held not less frequently than monthly with the general contractor for the Project for the purpose of (a) reviewing the general contractor's applications for payment, which must include a detailed cost narrative evidencing the Purchaser's share of the cost to develop the Project, (b) conducting site walks or other reviews of the Project, as Seller determines is necessary, and (c) evaluating and deciding on proposed change orders (each, a "Change Order") and their impact on the Budget (defined below). Purchaser shall designate an individual to serve as Purchaser's construction representative ("Purchaser's Representative"). Purchaser's Representative shall be notified of the time, location and date of such meetings and shall have the right to attend and participate in all such meetings.

1.2.6 Purchaser and Seller each acknowledge that the Project is being constructed pursuant to that summary development budget agreed to by both Purchaser and Seller attached hereto as **Exhibit C** (the "Budget"). Seller may revise the Budget if the Total Development Costs (as defined in Section 2.1.1) or the Commercial Unit's allocated share of hard and soft costs increase. Budget amendments, if any, are subject to the approval of each lender for the Project to the extent so provided in the loan agreement with such lender and the limited partner of 2200 Norris to the extent required under 2200 Norris' Amended and Restated Agreement of Limited Partnership.

1.3 Agreement Subordinate to Project Construction Loan. The Parties expressly acknowledge and agree that this Agreement is hereby made subordinate and subject to the rights and interests of all lenders providing construction financing for the Project.

1.4 Parking Easement. Concurrent with execution of this Agreement, the parties will execute an easement substantially in the form attached hereto as **Exhibit D** for development and exclusive use of the vacant portion of the parcel abutting the Project (located at 2106 Norris Road, Vancouver, Washington with the Clark County property identification number 298490000) as a parking lot for the Project (the "Parking Easement") Seller shall cause the Parking Easement to be recorded in the records of Clark County, Washington within 30 days of the Effective Date and pay the fees associated with such recordation.

II. PURCHASE PRICE

2.1 Purchase Price. In exchange for the Commercial Unit and all rights under the Declaration, Purchaser will pay Seller the sum of (i) the Total Development Cost to develop the Commercial Unit and (ii) an amount equal to seventeen and seven tenths percent (17.7%) of the

Total Development Cost to develop the Shared Improvements (collectively, the "Purchase Price"), subject to the following:

2.1.1 The term "Total Development Cost" is defined as all expenses, both hard and soft, associated with developing the Commercial Unit and the Commercial Unit's share of Shared Improvements.

2.1.2 The term "Shared Improvements" will include all utility infrastructure, right-of-way improvements, equipment rooms, lobby space, trash rooms, parking, and landscaping as depicted on the Plans and further described in the Declaration. The "Shared Improvements" also include a pro rata allocation of the land, design and other soft costs, fees, loan fees and interest, construction costs and other typical hard costs associated with construction and completion of commercial improvements.

2.1.3 The percentage stated in Section 2.1(ii) for application to Total Development Cost for the Shared Improvements (the "Shared Improvement Percentage") is based on the estimated proportion of Commercial Unit square feet to the total square footage of the Residential Unit and Commercial Unit as shown below:

- Residential Unit – 88,296 Square Feet (82.3% of Total)
- Commercial Unit – 19,006 Square Feet (17.7% of Total)
- Total – 107,302 Square Feet

If the actual square footage of the Residential or Commercial Unit as shown in the Condominium Survey differs from the estimates in this Section 2.1.3, then the Seller and Purchaser will amend the Shared Improvement Percentage to reflect the actual proportion of Commercial Unit square footage to the total square footage of the Residential Unit and Commercial Unit. But in no event shall the Shared Improvement Percentage exceed 17.7%.

2.1.4 Regardless of the Budget and any Change Orders, in no event shall the Purchase Price exceed Five Million Five Hundred Thousand and No One Hundredths Dollars ($5,500,000.00).

2.1.5 **Payment of Purchase Price**. The Purchaser will pay the Purchase Price on or before the date that the Project's construction loan is converted to permanent debt and after the Completion Date, but in no event shall Purchaser be obligated to pay the Purchase Price before Closing (as defined below in Article V).

2.2 Escrow Agent. Melissa Miller, Escrow Agent, of Fidelity National Title Company, 655 W. Columbia Way, STE 200, Vancouver, WA 98660, ("Escrow Agent" in its capacity as escrow agent and "Title Company" in its capacity as title insurer) has been designated as Escrow Agent hereunder by mutual agreement of Seller and Purchaser. Escrow Agent shall open a closing escrow at least 30 days before Closing for the benefit of Purchaser and Seller in accordance with the terms of this Agreement.

III. CONDITIONS PRECEDENT

3.1 <u>Purchaser's Conditions Precedent</u>. Purchaser's obligation to consummate this transaction at Closing shall be contingent upon the following conditions precedent:

3.1.1 Approval for Purchaser's financing through the US Department of Housing and Urban Development (HUD) Community Development Block Grant and Section 108 Loan Guaranty Program;

3.1.2 Execution by Seller and 2200 Norris of an amendment to the Norris Lease that excludes the Commercial Unit from the premises leased to 2200 Norris;

3.1.3 Seller's submission of a formal survey to Purchaser defining the actual boundaries and square footage of the Project, including but not limited to documentation of the Shared Improvements and Commercial Unit (the "Condominium Survey");

3.1.4 Seller's review and approval of any title exceptions, liens, encumbrances or any other right, title recorded after the Effective Date; and

3.1.5 Each of Seller's representations and warranties contained herein shall be true and correct in all material respects;

The conditions set forth in this Section 3.1 are intended solely for the benefit of Purchaser. If any of the conditions specified in this section are not satisfied or met as of the Closing Date, Purchaser shall immediately notify the Seller in writing of the unsatisfactory condition. Without any obligation to do so, Seller shall have thirty (30) days from receipt of such notice to cure such condition, which such cure period shall be extended as required if such condition is incapable of being cured in such time and Seller is diligently pursuing a cure. If Seller and Purchaser mutually agree that an unsatisfied condition specified in this Section 3.1 cannot or will not be cured, Purchaser shall then have the right at its sole election either to waive the condition in question and proceed with the purchase of the Commercial Unit or, in the alternative, to terminate this Agreement, and the parties shall have no further obligations hereunder other than those obligations which survive the termination of this Agreement by their express terms. In the event that Purchaser does not make its election within sixty (60) days of the expiration of Seller's cure period, this Agreement shall remain in effect.

3.2 <u>Seller's Conditions Precedent</u>. Seller's obligation to consummate this transaction shall be contingent upon the fulfillment of the following conditions precedent:

3.2.1 Each of Purchaser's representations and warranties contained herein shall be true and correct in all material respects.

The condition set forth in Section **Error! Reference source not found.** above is intended solely for the benefit of Seller. If the foregoing condition is not satisfied or met, Seller shall immediately notify the Purchaser in writing of the unsatisfactory condition. Without any obligation to do so, Purchaser shall have thirty (30) days from receipt of such notice to cure such condition, which such cure period shall be extended as required if such condition is incapable of being cured in such time and Purchaser is diligently pursuing a cure. If Seller determines that an unsatisfied condition specified in this Section 3.2 will not or cannot be cured, Seller shall then have the right at its sole election either to waive the condition in question and proceed with the sale of the Commercial Unit or, in the alternative, to terminate this Agreement, and the parties shall have no further obligations hereunder other than those obligations which survive the termination of this Agreement by their express terms. In the event that Seller does not make its election within sixty (60) days of the expiration of Purchaser's cure period, this Agreement shall remain in effect.

IV. REPRESENTATIONS AND WARRANTIES

4.1 Seller's Representations and Warranties. For the purposes of inducing Purchaser to consummate the transactions contemplated hereby, Seller represents and warrants to Purchaser, as of the date hereof and, except as otherwise set forth herein, as of the Closing Date, in addition to the warranties in the deed delivered to Purchaser and as set forth as follows:

4.1.1 In connection with the consummation of the transactions contemplated by this Agreement, the Seller has not entered into and will not enter into any understanding or agreement that relates to the use, sale, or other disposition of the Commercial Unit other than those specifically contemplated in this Agreement;

4.1.2 This Agreement constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms;

4.1.3 There are no actions, suits, proceedings, orders or investigations pending or, to the best of Seller's knowledge, threatened against or affecting Seller which might adversely affect Seller's performance under this Agreement or the consummation of the transactions contemplated hereby.

4.2 Purchaser's Representations and Warranties. For the purposes of inducing Seller to consummate the transactions contemplated hereby Purchaser represents and warrants to Seller, as of the date hereof and, except as otherwise set forth herein, as of the Closing Date, as follows:

4.2.1 Purchaser has full power, authority and legal right to execute, deliver and perform this Agreement;

4.2.2 The Purchaser has duly authorized the execution, delivery and performance thereof; and has authorized the person executing this Agreement to do so;

4.2.3 This Agreement constitutes the legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms; and

4.2.4 There are no actions, suits, proceedings, orders or investigations pending or, to the best of Purchaser's knowledge, threatened against or affecting Purchaser which might adversely affect Purchaser's performance under this Agreement or the consummation of the transactions contemplated hereby.

4.3 Survival of Warranties. The warranties in this Agreement shall survive the Closing and shall be fully effective thereafter. If either party breaches any warranty, the other party shall have the rights and may exercise, at its option, any of the remedies provided in this Agreement.

4.4 Construction Warranties. Upon Closing, Seller shall ensure that Purchaser is assigned all warranties obtained from the general contractor, material suppliers and all third parties, to the extent they apply to the warm vanilla building shell of the Commercial Unit or appurtenant interest in the general common elements of the Condominium. Seller shall have delivered to Purchaser, in electronic or hard-copy format, all warranties furnished by general contractor, material suppliers and all third parties, with duly executed instruments properly assigning the warranties to the Purchaser. Except as specifically provided in this Agreement and the documents delivered to Purchaser at Closing, Seller makes no other warranties, express or implied, as to the real property underlying the Condominium, the Property or the construction of the Project, including but not limited to any warranties of quality, suitability, fitness or merchantability relating to the Property or the construction of the Condominium. This Section 4.4 shall survive the Closing.

V. CLOSING

5.1 Closing Date. "Closing" or "Close" means the delivery and recording of the Deed from Seller to Purchaser. The Closing shall take place within 30 days after the Completion Date or at such earlier or later date as may be agreed to by the parties (the "Closing Date"). Each party hereto agrees to execute and deliver to the Title Company such closing escrow instructions as may be necessary to implement and coordinate the Closing as set forth in this Agreement.

5.2 Seller's Closing Obligations. At the Closing, Seller shall execute and deliver to the Escrow Agent:

5.2.1 A statutory warranty deed to the Commercial Unit free and clear of all right, title or interest of Seller and subject only to the title exceptions, liens, encumbrances or any other right, title shown on the title commitment issued by the Escrow Agent(the "Deed"); and

5.2.2 Such other instruments as may be required to fully consummate the transaction contemplated hereby..

5.3 Purchaser's Closing Obligations. At the Closing, Purchaser shall execute and deliver to the Escrow Agent:

5.3.1 The Purchase Price; and

5.3.2 All other instruments or documents as may be required to fully consummate the transaction contemplated hereby.

5.4 Allocation of Closing Expenses.

5.4.1 The Purchaser shall pay the following costs of closing: the cost of recording any documents related to any Commercial Unit financing and the cost of any extended title policy insuring the Commercial Unit.

5.4.2 The Seller shall pay the following costs of closing: the escrow fees of the Title Company, standard ALTA title insurance, and the cost of recording the Deed.

5.4.3 Any other title or escrow costs associated with Closing shall be allocated between the parties in accordance with the customary practice in Clark County, Washington.

5.5 Right to Possession. At the Closing and as a condition thereto, Purchaser shall have full, non-exclusive and unrestricted right to possession of the Commercial Unit.

5.6 Risk of Loss.

5.6.1 Risk of loss or damage to the Commercial Unit by condemnation, eminent domain, or similar proceedings (or deed in lieu thereof), or by fire or any other casualty, from the date hereof through the time of the recording of the Deed will be on Seller and thereafter will be on Purchaser. In the event of loss to the Commercial Unit by condemnation, eminent domain, or similar proceedings (or deed in lieu thereof), or damage by fire or any other casualty to the Commercial Unit, Seller shall give prompt written notice of the same to Purchaser.

5.6.2 In the event of loss or damage to the Commercial Unit by fire or any other casualty from the date of this Agreement and prior to the Closing Date, Seller shall promptly repair or restore the damage if (i) Seller's and 2200 Norris' mortgagees permit repair and restoration, (ii) sufficient funds to repair or restore the damage are available to Seller or 2200 Norris and (iii) all required permits, conditions, approvals, and consents for the repair or restoration have been received. The Closing Date will be delayed for such period of time as Seller reasonably deems necessary to repair or restore the damage. If Seller is unable to repair or restore the damage, Seller shall immediately notify Purchaser in writing. Within twenty (20) days of receiving such notice from Seller, Purchaser shall provide written notice to Seller of Purchaser's decision in its sole discretion, to proceed with purchase of the Commercial Unit, or to terminate this Agreement, in which case the rights and obligations of the parties shall terminate. In the event Purchaser fails to provide such notice to Seller, this Agreement shall be deemed null and void, all further rights and obligation of the parties hereunder shall terminate.

5.6.3 In the event of loss or damage to the Commercial Unit by condemnation, eminent domain, or similar proceedings (or deed in lieu thereof) that materially impairs Purchaser's use of the Commercial Unit for its intended use, Seller shall immediately notify Purchaser in writing of such loss. Within twenty (20) days of receiving such notice from Seller, Purchaser shall provide written notice to Seller of Purchaser's decision in its sole discretion, to proceed with purchase of the Commercial Unit, or to terminate this Agreement, in which case the rights and obligations of the parties shall terminate. In the event Purchaser fails to provide such notice to Seller, Purchaser shall be deemed to have elected to proceed with the purchase of the Commercial Unit. If Purchaser elects to proceed with purchase of the Commercial Unit, the amount (if any) of all condemnation awards otherwise payable to Seller with respect to the condemnation of the Commercial Unit or any portion of the Commercial Unit that remains after the satisfaction of all obligations secured by the Property and of all other outstanding amounts that are payable with respect to the Property shall be paid to Purchaser.

VI. TERMINATION AND REMEDIES

6.1 Seller's Defaults.

6.1.1 Seller's Defaults. Seller shall be deemed to be in default hereunder in the event Seller fails, for a reason other than Purchaser's default hereunder, to meet, comply with, or perform any covenant, agreement or obligation on its part required within the time limits and in the manner required in this Agreement, or there shall have occurred a breach of any representation or warranty made by Seller.

6.1.2 Purchaser's Remedies. If Seller fails, without legal excuse, to complete the sale of the Commercial Unit in accordance with the terms of this Agreement, Purchaser's sole and exclusive remedy shall be either: (i) to terminate this Agreement and the Escrow created hereby and recover actual (but not consequential) damages resulting from Seller's default or (ii) to sue for specific performance. In the event of any immaterial default by Seller hereunder, Purchaser's sole remedy shall be to close Escrow, and to thereafter recover Purchaser's actual (but not consequential) damages from Seller.

6.2 Purchaser's Defaults.

6.2.1 Purchaser's Defaults. Purchaser shall be in default hereunder in the event Purchaser fails, for a reason other than Seller's default hereunder, to meet, comply with, or perform any covenant, agreement or obligation on its part required within the time limits and in the manner required in this Agreement, or there shall have occurred a breach of any representation or warranty made by Purchaser.

6.2.2 Seller's Remedies. In the event Purchaser fails without legal excuse to complete the purchase of the Commercial Unit under the terms and provisions of this Agreement, including but not limited to a failure to timely perform Purchaser's closing obligations or failure to pay any sums when due, Seller's sole and exclusive remedy shall be to terminate this Agreement and the escrow created hereby.

6.3 Attorneys' Fees. Should either party bring an action to enforce or interpret any of the provisions of this Agreement, or to recover damages for the breach hereof, the prevailing party will be entitled to receive, in addition to any other relief granted, all reasonable attorney's fees and costs expended in connection therewith.

VII. MISCELLANEOUS

7.1 Entire Agreement; Modification. This Agreement sets forth the entire understanding between the parties with respect to the transactions contemplated herein and supersedes all prior or contemporaneous agreements, oral or written. Neither this Agreement nor any provision hereof may be waived or amended except by an instrument in writing signed by both parties.

7.2 Time of Essence. Time is of the essence of this Agreement.

7.3 Survival of Terms. The terms and provisions hereof shall survive the Closing and shall remain in full force and effect thereafter.

7.4 Notices. All notices to either party must be in writing and either (i) delivered in person, (ii) by United States certified mail, postage prepaid, (iii) by courier service, postage prepaid, or (iv) by electronic mail (email) with confirmed receipt and sent to the address of such party as set forth below, or such other address as either party may from time to time designate by written notice to the other.

If to Seller:

Housing Authority of the City of Vancouver
2500 Main St.
Vancouver, WA 98660
Attn: Roy Johnson, Executive Director

If to Purchaser:

City of Vancouver
415 W. 6th St.
Vancouver, WA 98660
Attn: Patrick Quinton, Economic Development Director

With a Copy to:

City of Vancouver
PO Box 1995
Vancouver, WA 98668-1995
ATTN: Jonathan Young, City Attorney

All notices shall be deemed given on the date such notice is delivered (or if refused, the date of such refusal) or transmitted by telephone facsimile or email, or on the third business day following the date such notice is mailed in accordance with this Section 7.4, whichever is applicable.

7.5 Interpretation. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words of a singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

7.6 Captions. The captions used in this Agreement are for convenience only and shall not be deemed to construe or to limit the meaning of the language of this Agreement.

7.7 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

7.8 Severability. If one or more of the provisions of this Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions or any other application thereof shall in no way be affected or impaired.

7.9 Execution Date. All references in this Agreement to the "Execution Date", the "date hereof," "the date the Agreement was executed", or other phrases of similar import shall be deemed to refer to the date upon which the last of the parties hereto has executed this Agreement.

7.10 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Venue of any action hereunder shall be in Clark County, Washington.

7.11 Commercial Condominium Unit, Purchaser Protections Not Applicable. Purchaser acknowledges that the Commercial Unit will be restricted to nonresidential use. In light of that restriction, Purchaser and Seller agree that nothing in Article 4 of the Washington Uniform Common Interest Ownership Act will apply to this sale or to the Commercial Unit. Therefore, Purchaser will not receive a Public Offering Statement for the Condominium. Purchaser waives any right to receive a Public Offering Statement and will have no rights to cancel this Agreement or receive damages under RCW 64.90.635. Purchaser also waives the provisions of RCW 64.90.645 requiring escrow of deposits and any right to receive any disclosures pursuant to RCW Ch. 64.06. Furthermore, in light of the nonresidential use restriction, Purchaser will not be entitled to any warranties under RCW 64.90.670, except for those provided under RCW 64.90.670(2).

7.12 Waiver of Disclosure Statement.

7.12.1 Waiver of Disclosure Statement Submission. PURSUANT TO RCW CHAPTER 64.06, PURCHASER HEREBY WAIVES ITS RIGHT TO RECEIVE A SELLER DISCLOSURE STATEMENT. Purchaser further agrees that any information discovered by Purchaser concerning the Property shall not obligate Seller to prepare and deliver to Purchaser a revised or updated Seller Disclosure Statement. Purchaser hereby waives any right to receive an updated or revised Seller Disclosure Statement, regardless of the source of any new information. But Seller will notify Purchaser if Seller discovers that the Commercial Unit is impacted by any water leakage, building slippage or sliding, or defects in the Project's electrical system, plumbing system, heating and cooling systems, fire and security system, or carbon monoxide alarms.

7.12.2 No Reliance on Disclosure Statement. Purchaser further warrants that it is a sophisticated buyer who is familiar with the ownership and development of real estate projects similar to the Commercial Unit and Purchaser has or will have adequate opportunity to complete such independent inspections of the Commercial Unit it deems necessary, and will acquire the Commercial Unit solely on the basis of and in reliance upon such examinations and not on any information provided in any Seller Disclosure Statement or, except as set forth in this Agreement or the Closing documents, any information otherwise provided or to be provided by Seller or by anyone acting or claiming to act by, through or under or on Seller's behalf. Seller represents and warrants that it would not have answered "yes" to any of the disclosure questions in the "Environmental" section of the Seller Disclosure Statement.

7.13 Purchaser's Acknowledgement and Waiver. Purchaser acknowledges that Purchaser is responsible for securing and closing adequate financing for the purchase of the Commercial Unit and meeting all requirements of Purchaser's financing sources. Seller shall not be responsible for Purchaser's loss of or reduction in any financing due to delay in the construction of the Commercial Unit or the timing of Closing.

7.14 Exhibits. The following exhibits are incorporated into and made a part of this Agreement as if set forth fully herein:

Exhibit A	Legal Description of Property
Exhibit B-1	Plans
Exhibit B-2	Project Use Description
Exhibit C	Budget

Exhibit D Parking Easement

[Signatures on next page]

IN WITNESS WHEREOF, this Agreement has been executed by each of the parties as of the date first written above.

SELLER:

HOUSING AUTHORITY OF THE CITY OF VANCOUVER,
a public body corporate and politic of the State of Washington

By: ____
Name: Roy A. Johnson
Title: Executive Director

PURCHASER:

CITY OF VANCOUVER,
a Washington municipal corporation

By: _________________________________
Name:_________________________________
Title: _________________________________

APPROVED AS TO FORM:

By: _______________________________________
Jonathan Young
City Attorney
City of Vancouver

EXHIBIT A
(Legal Description)

[This exhibit will define the Commercial Unit as the 9,763 sq. ft. multi-use space and the 9,243 sq. ft. that make up the outdoor plaza and playground]

EXHIBIT B-1
(Plans)

[See Attached]

EXHIBIT B-2
(Project Use Description)

The Commercial Unit is expected to be one component of the economic development hub constructed for the Fourth Plain community and includes the following:

- A commercial kitchen incubator to launch and support emerging food-based businesses;
- A shared office space to co-locate upstream services to make it easier for residents and businesses to access resources on the corridor;
- A community event space that can be used for festivals, birthdays, trainings and other events; and
- Outdoor public plaza, lawn, and playground area.

EXHIBIT C
(Budget)

[See Attached]

EXHIBIT D
(Parking Easement)

[See Attached]

After recording, return to:

Vancouver Housing Authority
2500 Main Street
Vancouver, WA 98109-1028
Attn: General Counsel

Space Above for Recording Information Only

PARKING, ACCESS, AND UTILITIES EASEMENT AGREEMENT

Grantor:	City of Vancouver
Grantee:	Housing Authority of the City of Vancouver
Abbrev. Legal Descriptions:	Tax Lot #9 & #99 and #18 & #82, Robert Rockett DLC, Section 24, Township 2 North, Range 1 East
Assessor's Tax Parcel ID Nos.:	029844000; 29849000

This Parking, Access, and Utilities Easement Agreement (this "Agreement") is made this _____ day of November, 2021 (the "Effective Date"), by and between the City of Vancouver, a Washington municipal corporation ("City") and Housing Authority of the City of Vancouver, a public body corporate and politic of the State of Washington("VHA").

A. City owns a parcel of land commonly known as 2106 Norris Road more particularly described in Exhibit A attached hereto (the "City Parcel"). The City Parcel currently includes a building for the City of Vancouver International District Fire Station #2 ("Fire Station"), an existing parking lot, and vacant land, with the vacant land portion of the City Parcel being the Easement Area, as defined below, that is the subject of this Agreement.

B. VHA owns a parcel of land, located adjacent to the City Parcel and more particularly described in Exhibit B (the "Commons Parcel").

C. VHA is leasing the Commons Parcel and Easement Area to 2200 Norris LLLP, a Washington limited liability limited partnership ("2200 Norris"), under that Lease Agreement between VHA and 2200 Norris of even date herewith ("Lease Agreement"). The City has no objection to the leasing of the Easement Area to 2200 Norris subject to the covenants and restrictions provided herein.

D. 2200 Norris will construct and operate an affordable housing project on the Commons Parcel in compliance with the definition of "affordable housing" provided by the Revised Code of Washington (RCW) 43.63A.510(4)(a), and a parking lot on the Easement Area (the "Commons Project").

E. VHA is the sole general partner of 2200 Norris.

F. City and VHA are parties to that certain Condominium Purchase and Sale Agreement of even date herewith which establishes terms under which VHA will convey to the City the commercial unit within the Commons Project.

G. The City and VHA wish to have the parking lot that is included in the Commons Project available for use by 2200 Norris, the residents of the Commons Project, the City, and their respective invitees.

H. This Agreement is excluded from the City's surplus property requirements pursuant to Vancouver Municipal Code 3.30.020(B)(3) as an intergovernmental transfer of property rights from the City to VHA subject to RCW 39.33.015 for the public benefit purpose of providing related facilities supporting the goals of affordable housing development in accordance with the requirements of RCW 39.33.015(8)(a) and RCW 43.63A.510 ("Public Benefit Purpose").

I. It is anticipated that upon completion of the Commons Project, the Commons Project and the Commons Parcel will be subjected to the condominium form of ownership and governed by a condominium owners association, subject to compliance with the Public Benefit Purpose and affordable housing requirements of this Agreement and the Commons Project.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and incorporating the background recitals above, the City and VHA hereby agree as follows:

1. <u>Declaration of Easement Grant</u>. City does hereby grant and convey to VHA, its successors and/or assigns, a perpetual, exclusive, nonpublic easement for the installation, construction (including temporary storage of materials and equipment during construction of the Commons Project), maintenance, repair, and improvement of the Parking Lot, and for ingress, egress, parking, and utilities over and across real property situated in Clark County, Washington legally described on <u>Exhibit C</u> and depicted on <u>Exhibit D</u>, being the vacant portion of the City Parcel (the "Easement Area"), which shall be appurtenant to the City Parcel and the Commons Parcel and which shall burden the City Parcel and benefit the Commons Parcel. Such easement shall establish a vehicular parking area to be constructed by 2200 Norris, as more fully described herein (the "Parking Lot").

2. Public Benefit Purpose. In order to satisfy the requirements of RCW 39.33.015(2), VHA hereby covenants and agrees that the Easement Area and Parking Lot shall be designated and continuously used for the Public Benefit Purpose ("Public Benefit Covenant"). In the event that VHA violates this Public Benefit Covenant by failing or ceasing to use the Easement Area or Parking Lot allocated to the VHA Shared Split (as defined in Section 6.1 below) for the Public Benefit Purpose, the City shall have the remedies provided herein.

3. Compliance with Laws. VHA shall, at VHA's own cost and expense, comply with all applicable laws, statutes, ordinances, regulations, orders and requirements now or hereafter made or issued by any governmental entities and courts having jurisdiction, whether federal or state or county or municipal ("Applicable Laws"). If any license, permit, or other governmental authorization is required for the lawful use or occupancy of the Easement Area or Commons Parcel or any portion of the Easement Area or Commons Parcel, VHA shall procure and maintain such license, permit, or governmental approval so long as this Agreement remains in effect. The judgment of any court of competent jurisdiction, or the admission by VHA in a proceeding brought against VHA by any government entity, that VHA has violated any Applicable Laws shall be conclusive as between City and VHA and shall constitute a VHA default within the meaning of Section 8.

4. Utilities. VHA shall pay or cause to be paid prior to the delinquency date therefor, and hold City free and harmless from, all charges for the furnishing of gas, water, electricity, telephone service, internet and other public utilities to the Easement Area so long as this Agreement is in effect and for the removal of garbage and rubbish from the Easement Area so long as this Agreement is in effect. Without limiting the generality of the foregoing, VHA shall be solely responsible for all utility hook-up, connection, impact, metering and other fees in connection with utility service for the Easement Area. In the event that any utilities on the Easement Area are shared with City, City will install a separate meter and be solely responsible for the cost of utilities it uses.

5. Construction of Parking Lot.

5.1 Duty to Construct. VHA shall require that 2200 Norris construct or cause the Parking Lot to be constructed on the Easement Area in accordance with the development approvals and entitlements issued to or obtained by 2200 Norris from the City of Vancouver and other governmental agencies for the Commons Project and the Parking Lot (the "**Final Approvals**").

5.2 All Work on Written Contract. All work required in the construction of the Parking Lot, including any site preparation work, landscaping work, and utility installation work, as well as actual construction work, shall be performed only by competent contractors licensed under the laws of the State of Washington and reasonably experienced in performance of comparable work, and shall be performed in accordance with written contracts with those contractors.

5.3 Construction Costs. VHA shall require 2200 Norris to pay when due all Construction Costs associated with the Parking Lot. The term "Construction Costs" means all hard and soft costs of construction of the Parking Lot described in any enforceable construction agreement with the contractor of the Parking Lot. Construction costs do not include any costs incurred by City except costs incurred or suffered by City as a result of 2200 Norris's non-payment of 2200 Norris's contractor.

5.4 Mechanics' Liens. VHA shall at all times keep the Easement Area free and clear of all liens and claims of liens for labor, services, materials, supplies, or equipment performed on or furnished to the Easement Area ("Mechanics' Liens"), except for liens for release of retainage as described in Chapter 60.28 RCW ("Retainage Liens"). Should VHA fail to pay and discharge or cause the Easement Area to be released from any such Mechanics' Lien within 30 days after service on VHA of written request from City to do so, City may pay, adjust, compromise, and discharge any such lien or claim of lien on any terms and in any manner that City may deem appropriate; provided, however, that VHA shall discharge any Retainage Liens only after it receives releases from the Department of Revenue, Labor and Industries, and Employment Security (all as required by Applicable Laws) and shall otherwise discharge any Retainage Liens in accordance with Washington statutes. VHA shall reimburse City for the full amount paid by City in paying, adjusting, compromising, and discharging any Mechanics' Lien.

5.5 Necessary Plans and Agreements. City, in its capacity as a property owner, agrees to take the following actions, within ten business days of VHA's written request, if and to the extent required to implement or finalize the Final Approvals for the Parking Lot or to facilitate the construction or operation of the Parking Lot:

5.5.1 Join in the grants of easements to public and/or private utility companies required to provide utility services to the Parking Lot or within the right-of-way of any streets shown on a recorded final map or parcel map;

5.5.2 Execute consents to or join in any reciprocal easement agreement or covenants, conditions, easements and/or restrictions entered into by VHA with owners or tenants of adjoining property, in connection with the creation, improvement, use and maintenance of any new or existing appurtenant easements required to construct and operate the Parking Lot; and

5.5.3 Execute such other documents, including maps, easements, covenants, consents, agreements, conditions, easements, restrictions, instruments and other documents as reasonably necessary to facilitate the construction or operation of the Parking Lot;

Provided, however, that City, in its capacity as a property owner, shall have the right to review and approve of any such map, easement, consent, grant, agreement, covenant, condition, easement, restriction, instrument or other document to be so executed or joined in by City, which approval shall not be unreasonably withheld, conditioned or delayed.

5.6 Permits and Authorizations. Should VHA deem it necessary or appropriate to obtain any zoning or land use permit to construct or operate the Parking Lot, City agrees to execute any documents, petitions, applications, utility easements and authorizations, that may be necessary or appropriate in its capacity as landowner; provided, however, that nothing within this Agreement shall be construed as limiting the City when acting in its governmental and regulatory capacity; and provided further, that any such permits, variances, or rezoning shall be obtained at the sole cost and expense of VHA, except to the extent that such documents, petitions, applications, utility easements and authorizations are for the exclusive benefit of City and not as a condition of the Parking Lot. City shall have the right to review and approve of any such documents, petitions, applications, utility easements, authorizations or other instrument to be so executed or joined in by City, which approval shall not be unreasonably withheld, conditioned or delayed.

5.7 Ownership of the Parking Lot. In the event this Agreement is terminated, the Parking Lot shall automatically and, without any act of VHA, 2200 Norris, the City, or any third party, become City's property, and VHA shall surrender the Parking Lot to City free and clear of all liens and encumbrances, other than those, if any, expressly permitted under this Agreement to survive the termination of this Agreement or otherwise created or consented to by City, and VHA agrees to execute, acknowledge, and deliver to City any instrument requested by City as necessary in City's opinion to perfect City's right, title, and interest to the Parking Lot and the Easement Area.

5.8 Archaeological Discovery. If any objects of cultural or archaeological significance are discovered on the Easement Area (a "Discovery"), VHA will comply with all Applicable Laws governing discovery and preservation of such items. In the event that compliance with Applicable Laws related to a Discovery creates either (a) a substantial impact to the Parking Lot, including material delays or a material increase in costs, or (b) conditions related to the Easement Area that are outside the scope of VHA's Parking Lot, then City and VHA will enter good faith negotiations to reasonably allocate Discovery costs associated with compliance with Applicable Laws.

5.9 Impacts to Fire Station; Coordination.

5.9.1 If during construction of the Parking Lot, 2200 Norris causes a net reduction in number of existing parking stalls used by Fire Station employees, then VHA will temporarily provide the Fire Station with the additional parking stalls required to offset the net reduction.

5.9.2 Except as provided in Section 5.9.1, VHA will maintain the Fire Station's access to its existing parking lot during all hours.

5.9.3 Before the commencement of construction VHA will prepare a Construction Impact Mitigation Plan, with input from City, 2200 Norris and Fire Station, which is intended to reduce or eliminate certain anticipated impacts, to the extent reasonably practicable, to the Fire Station arising from the construction of the Parking Lot, including with respect to transportation, noise, and dust control. VHA will require 2200 Norris to direct its contractor to make commercially reasonable efforts to contain dust and odor on site and to schedule its work in a manner designed to minimize the impacts to the Fire Station.

5.9.4 VHA shall offer to meet regularly with a designated representative of the Fire Station in order to discuss and address impacts of the construction of the Parking Lot and methods for eliminating or minimizing adverse impacts to the Fire Station.

6. Parking Agreement.

6.1 VHA and the City agree to a shared use and allocation of maintenance costs and responsibilities of the Parking Lot as follows: VHA at 82.3 percent and the City at 17.7 percent (the "Shared Split").

6.2 The Parking Lot stalls shall be divided between VHA and the City in accordance with the Shared Split and as mutually agreed to between the parties

6.3 For purposes of this Agreement, "Maintenance" is defined as the work normally necessary to preserve and keep the Parking Lot, including all roadways, road structures, sidewalks, landscaping, and road facilities in a good and reasonably safe condition. Maintenance of the Parking Lot includes normal road improvement and maintenance work to adequately maintain the Parking Lot and related drainage facilities to permit all weather access, and includes prompt patching or filling of holes, treating for an extended life, repairing cracks, repairing and resurfacing roadbeds, gravelling, grading, repairing and maintaining drainage structures, removing debris, maintaining any signs, markers, striping, and lighting, if any, and maintenance, repair, or improvements required by law.

6.3.1 VHA will regularly determine the nature and cost of the Maintenance needed for the Parking Lot, including payment of prevailing wage in accordance with Washington law, Chapter 39.12 RCW ("Maintenance Costs"), and will prepare a budget for such Maintenance Costs annually, subject to the City's review and approval, which approval shall not be unreasonably withheld ("Maintenance Budget"). VHA shall perform the approved Maintenance and the Maintenance Costs shall be divided between VHA and the City in accordance with the Shared Split.

6.3.2 In the case of an emergency, VHA will determine the nature of the repairs to be undertaken, the contractor to perform the maintenance or repairs, and the costs for such maintenance or repairs, provided that such repairs must be performed in compliance with RCW 39.12. In such a case, VHA may repair the Parking Lot to the extent required to resolve the emergency at its sole cost and expense and invoice the City for such emergency repair costs in accordance with the Shared Split.

6.3.3 The City may at any time require reasonable and necessary documentation from VHA for any Maintenance performed, including emergency repairs, and any Maintenance Costs or emergency repair costs charged to justify the City's payment of its Shared Split, which request shall not be unreasonably made. In the event that the VHA does not reasonably comply with such documentation requests, the City shall have no obligation whatsoever to reimburse the VHA or pay its Shared Split of the Maintenance Costs or any costs associated with or arising from any maintenance, repair, or improvement of the Parking Lot.

6.4 If VHA desires to improve or reconstruct improvements to the Parking Lot ("Capital Improvements"), VHA shall determine the nature and cost of the improvements and present such Capital Improvements to the City for consideration. Upon the City's approval of the Capital Improvements, which approval shall not be unreasonably withheld, the City shall pay for the Capital Improvements in accordance with the Shared Split unless the parties agree to a different cost allocation by written agreement.

6.5 The City may notify VHA in writing of any Maintenance necessary to adequately maintain the Parking Lot in a good and reasonably safe condition and VHA must perform, or present the City a plan to perform, such Maintenance within 60 days of receipt of the written notice. If, after 60 days of VHA's receipt of written notice, VHA has failed to act, the City may perform such Maintenance after providing an additional 15 days' notice and recover the cost thereof from the VHA in accordance with the Shared Split.

7. Indemnity and Insurance.

7.1 VHA Indemnity. VHA shall hold harmless, indemnify, and defend City, its elected and appointed officials, officers, employees and agents, from any and all claims, actions, suits, liability, loss, damages, or expenses (including by not limited to reasonable attorney fees) (collectively, “Claims”) resulting from the construction of the Parking Lot and occupation and use of the Easement Area by VHA after the Effective Date except to the extent that such Claims are the sole result of the negligence or willful misconduct of City. VHA shall retain the right to obtain indemnity or recovery for any liability or costs VHA incurs relating to contaminants, Hazardous Substances, wastes or materials on the Property from other potentially responsible party under appropriate state or federal environmental laws. This section shall survive the termination of this Agreement.

7.2 City’s Indemnity. City shall hold harmless, indemnify, and defend VHA, its officers, directors, and assigns , from any and all Claims resulting from the occupation and use of the Easement Area by City before the Effective Date, except to the extent that such Claims are the sole result of the negligence or willful misconduct of VHA. City shall retain the right to obtain indemnity or recovery for any liability or costs City incurs relating to contaminants, Hazardous Substances, wastes or materials on the Easement Area from other potentially responsible party under appropriate state or federal environmental laws. This section shall survive the expiration or earlier termination of this Agreement.

7.3 Industrial Indemnification Waiver. The foregoing indemnities contained in Sections 7.1 and 7.2 are specifically and expressly intended to constitute a waiver of the indemnifying party’s immunity under Washington’s Industrial Insurance Act, RCW Title 51, with respect to the indemnifying party only, and only to the extent necessary to provide the indemnified party with a full and complete indemnity of claims made by the indemnitor’s employees. The parties acknowledge that these provisions were specifically negotiated and agreed by them.

7.4 General Liability Insurance. VHA will require that 2200 Norris procure and maintain for the duration of this Agreement commercial general liability (CGL) insurance written on an occurrence (and not “claims-made”) basis, insuring against all liability of 2200 Norris with respect to the Easement Area, including contractual liability coverage recognizing the liability assumed by 2200 Norris under Section 7.1 above providing coverage at least as broad as ISO policy form CG 00 01. Such insurance shall name 2200 Norris as named insured and City as additional insured thereunder and shall be primary and non-contributing with respect to any insurance maintained by City. Such policy shall be annually renewing and not have a deductible in excess of Ten Thousand Dollars ($10,000). Such insurance shall be issued by an insurance company licensed by the State of Washington insuring 2200 Norris and City against loss or liability caused by or connected with operation, occupation and use of the Easement Area by 2200 Norris, shall expressly provide that such policies shall not be canceled or altered without 30 days' prior written notice to City, and be issued in amounts not less than the following:

7.4.1 $2,000,000 CGL Limit for injury to or death of one person and, subject to that limitation for the injury or death of one person, of not less than $5,000,000 for injury to or death of two or more persons as a result of any one accident or incident; written as an Umbrella or Excess Coverage and as an option, written as Single Combined Limit or separate for $1,000,000 Automobile Losses that occur during ingress, egress or around the leased property; and

7.4.2 $5,000,000 CGL Limit for damage to or destruction of any property.

7.5 Casualty Insurance. VHA will require that 2200 Norris maintain for the duration of the Agreement casualty insurance for the full replacement value of the buildings and improvements on the Easement Area against loss or destruction by fire and the perils commonly covered under the standard extended coverage endorsement to fire insurance policies in the county where the Easement Area are located, providing coverage at least as broad as ISO policy forms CP 10 30 and CP 00 10.

7.6 Waiver of Subrogation. Any insurance carried by either party as required by this Agreement shall include a clause or endorsement denying to the insurer a right of subrogation against the other party to the extent rights have been waived by the insured prior to occurrence of an injury or loss. Each party, notwithstanding any provisions of this Agreement to the contrary, hereby waives any rights of recovery against the other for injury or loss due to hazards covered by insurance containing such a clause or endorsement.

8. Default.

8.1 Events of Default. Each of the following events shall be an "Event of Default" by VHA and a "breach" of this Agreement:

8.1.1 Failure to continuously abide by the Public Benefit Covenant;

8.1.2 Failure to perform any term, condition, covenant, or requirement of this Agreement, or failure to satisfy a covenant encumbering the City Parcel, if such failure is not cured within 90 days after VHA receives from City of written notice of such failure;

8.2 City's Default. City shall be in default under this Agreement if City fails to cure any breach of its obligations under this Agreement within 180 days after receipt of written notice from VHA specifying in reasonable detail the nature of City's breach; provided, however, that if the nature of City's breach is such that more than 90 days are required for performance, then City shall not be in default if City commences the cure of such breach within 180 days of the receipt of such notice from VHA and pursues such curative action with due diligence to completion.

8.3 Injunctive Relief. Each party acknowledges and agrees that a non-defaulting party may be irreparably harmed by a breach of this Agreement, and, notwithstanding the cure periods set forth above in this Section 8, in the event of such irreparable harm, the non-defaulting party shall be entitled without waiting for the expiration of such cure periods to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction, or any other equitable remedy that may be available. The foregoing remedies are not exclusive.

8.4 Lender's Remedies. In all instances City shall not exercise any of its remedies hereunder without having given notice of the Event of Default to Wells Fargo, National Association (the "Lender"). The Lender shall have the same cure period after the giving of a notice as provided to VHA, plus an additional period of 90 days. If the Lender elects to cure the default, City agrees to accept such performance as though the same had been done or performed by VHA. Notwithstanding anything to the contrary contained herein, the Lender shall be deemed a third-party beneficiary of the provisions of this Section 8.4 for the sole and exclusive purpose of entitling the Lender to exercise its rights to notice and cure, as expressly stated in this Section 8.4.

8.5 City's Remedies. Subject to Sections 8.1 and 8.4 above, and in addition to any rights in law or equity, the City may immediately terminate this Agreement following an uncured Event of Default.

9. Costs and Attorney Fees. In the event a party hereunder takes any action to enforce this Agreement, with or without bringing suit, brings suit or action to enforce this Agreement or obligation under the law, or to collect any money due thereunder or to foreclose a lien, the non-prevailing party must pay all costs and expenses incurred by the prevailing party in connection with such suit or action, including a litigation guaranty report issued by a title company doing business in Clark County, Washington, and the prevailing party in such suit or action shall recover such amount as the court may determine to be reasonable as attorney fees at trial and upon any appeal or petition for review thereof.

10. Hazardous Substances.

10.1 The term "Hazardous Substance", as used in this Agreement, means any substance, material, or waste which is: (a) defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," "pollutant," or any other terms comparable to the foregoing terms under any provision of Washington law or federal law; (b) petroleum and any fraction thereof; (c) asbestos and asbestos containing materials; (d) polychlorinated biphenyls; (e) radioactive materials; (f) mold; (g) Methyl Tertiary Butyl Ether ("MTBE"); or (h) determined by Washington, federal, or local governmental authority to be capable of posing a risk of injury to health, safety, property, or the environment. Without limiting the foregoing, Hazardous Substance means and includes any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous, toxic or radioactive substance, or other similar term, by any environmental laws including any federal, state, or local environmental statute, regulation, or ordinance presently in effect that may be promulgated in the future, as such as statutes, regulations, and ordinances may be amended from time to time.

10.2 **CITY MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE CONDITION OF THE EASEMENT AREA, THE PRESENCE OF ANY HAZARDOUS SUBSTANCE ON THE CITY PARCEL, OR WITH RESPECT TO COMPLIANCE WITH ANY ENVIRONMENTAL LAW.**

10.3 VHA shall not bring onto, create or dispose of, in or about the Easement Area, any Hazardous Substances other than as is required for or customary for construction, maintenance, repair, and operation of a comparable project and done in compliance with Applicable Laws; and VHA shall not engage in any activity that violates any environmental laws. VHA, at VHA's sole expense, shall promptly take all investigatory and remedial action reasonably required or ordered by governmental authorities for the clean-up of any Hazardous Substances in, on, or about the Easement Area due to actions of VHA. VHA shall provide all notices or reports required pursuant to any Environment Law requiring notices or reports by VHA. VHA shall provide prompt written notice to City upon discovery of the existence of Hazardous Substances on the Easement Area and all notices of violation of environmental laws received by VHA.

11. Not a Public Easement. This Agreement is intended to grant a private and not a public easement. Nothing in this Agreement shall be construed to provide for public use or entry onto the Easement Area.

12. Run with the Land. The Agreement granted herein and its corresponding benefits and burdens shall run with the land and shall benefit and burden the Commons Parcel and the

City Parcel. This Agreement shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties hereto. Notwithstanding the foregoing, this Agreement may only be assigned or transferred with written consent from the City and any assignment or transfer without the City's written consent shall be deemed an "Unpermitted Transfer" resulting in automatic termination of the Agreement; provided, however, as a result of foreclosure by Lender, a transfer or deed in lieu shall not require the City's consent nor constitute an "Unpermitted Transfer."

13. City Parcel Surplus. Upon expiration or termination of the Low Income Housing Covenant Agreement dated November ___, 2021, recorded on the Commons Parcel and in the event that the City determines the City Parcel is surplus to the needs of the City in accordance with VMC 3.30, the City shall have the right to terminate this Agreement for the sole purpose of disposing of the City Parcel pursuant to VMC 3.30.

14. General Provisions.

14.1 Force Majeure. Except as otherwise expressly provided in this Agreement, if the performance of any act required by this Agreement to be performed by either City or VHA is prevented or delayed by reason of any act of God, strike, lockout, labor trouble, discovery of unexpected subsurface conditions or artifacts, inability to secure materials, restrictive governmental laws or regulations or any other cause (except financial inability), provided such condition is not the fault of the party required to perform the act, the time for performance of the act will be extended for a reasonable period equivalent to the period of delay and performance of the act during the period of delay will be excused. However, nothing contained in this section shall excuse the performance of any act rendered difficult or impossible solely because of the financial condition of the party required to perform the act.

14.2 Notice to the Parties. Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Agreement or by law to be served on or given under this Agreement shall be in writing and shall be deemed duly served and given when personally delivered to City or to any managing employee of City, or, in lieu of personal service, when sent by express mail or expedited courier that allows for tracking,

If to City at:

Vancouver City Manager
City of Vancouver
415 W. 6th Street
PO Box 1995
Vancouver, WA 98668-1995

With a copy to:

City of Vancouver
ATTN: City Attorney
PO Box 1995
Vancouver, WA 98668-1995

If to VHA at:

Housing Authority of the City of Vancouver
2500 Main Street
Vancouver, WA 98660
Attn: Roy A. Johnson

A party may change its address for the purpose of this section by giving written notice of that change.

14.3 Conflict Resolution. The parties will first attempt to mediate any controversy or claim arising out of or relating to this Agreement prior to initiating binding arbitration. The parties shall first attempt to mutually agree upon a mediator. If the parties are unable to agree, then either party may submit a demand for mediation with JAMS, and the mediator shall then be selected according to JAMS's procedures. If the parties are unable to resolve such dispute by mediation, then in that case any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be subject to arbitration. All settlement negotiations pursuant to this section shall remain confidential and shall be treated as compromise and settlement discussions for purposes of the applicable rules of evidence, including Rule of Evidence 408. The arbitrator shall have the power to award fees, costs and expenses, as well as reasonable attorney fees and witness fees, against the party that loses on substantially all of its claim(s) but only if the arbitrator determines that the proceeding was commenced or opposed in bad faith or recklessly or with intent to hinder or delay the other party from receiving the benefits to which it is entitled hereunder. The parties shall otherwise bear their own attorney fees, witness fees, costs, and expenses.

14.4 JURY TRIAL WAIVER. EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THE AGREEMENT OR THE TRANSACTIONS RELATED HERETO OR THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS

SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

14.5 Governing Law. This Agreement, and all matters relating to this Agreement, shall be governed by the laws of the state of Washington in force at the time any need for interpretation of this Agreement or any decision or holding concerning this Agreement arises.

14.6 Severability. If any term, provision or covenant of this Agreement or the application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term, provision or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law; provided, however, that the parties agree to meet and confer, in good faith, to negotiate a replacement provision that is consistent with the intent of the parties and the remainder of the Lease.

14.7 Approvals by City. If City's approval is required under any provisions of this Agreement, such approval shall be obtained in the manner described in Section 5.6.

14.8 No Partnership or Joint Venture. Nothing in this Agreement shall be construed to render City in any way or for any purpose a partner, joint venturer, or associate in any relationship with VHA other than that of easement grantor and grantee nor shall this Agreement be construed to authorize either to act as agent for the other.

14.9 Headings. Headings and captions used in this Agreement are for convenience only, do not define or limit the scope of this Agreement, and are not intended to interpret or change the meaning of any of the provisions of this Agreement.

14.10 Estoppel Certificates. Each party shall execute, acknowledge, and deliver to the other party, within ten business days' request, a certificate certifying:

14.10.1 That this Agreement is unmodified and in full force and effect or, if there have been modifications, that this Agreement is in full force and effect, as modified, and that the modifications are as described in (or attached to) the certificate.

14.10.2 That the party delivering the certificate has not given to the other party notice of default under this Agreement that has not been cured and, to the best of the party's knowledge and belief, no default exists or, if there has been notice given or a default exists, certifying to those facts and to the accuracy of the description of the default.

14.10.3 If the certificate is delivered by City, whether, to City's actual knowledge, all necessary construction, repairs, and maintenance, have been completed in accordance with the provisions hereof, without City giving any representation that the construction, repairs, and maintenance were performed or completed in compliance with applicable laws (including ordinances, regulations, and rules).

14.10.4 Certificates delivered under this section may be relied on by the receiving party's prospective lenders, prospective tenants, and prospective successors in interest under this Agreement.

14.11 Third Party Beneficiary. 2200 Norris will be a third-party beneficiary of this Agreement and is entitled to enforce its provisions as if a party hereto so long as (1) 2200 Norris is a party to the Lease Agreement, (2) the premises described in the Lease Agreement includes the Easement Area, and (3) the Lease Agreement remains in full force and effect.

14.12 Counterparts; Amendments. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which together shall constitute one document. This Agreement supersedes all prior agreements between the parties with respect to the subject hereof and all discussions, understandings, offers, and negotiations with respect thereto, whether oral or written. This Agreement shall not be amended or modified, except in a writing signed by each party hereto. If amended or modified as permitted by this section, the term "Agreement" shall thereafter be read as including all said amendments and modifications. All exhibits that are referenced in this Agreement or attached to it are incorporated herein and made a part hereof as if fully set forth in the body of the document.

14.13 Recording the Agreement. The parties agree that this Agreement will be recorded at VHA’s expense in the official records of Clark County, Washington.

Signatures on following page

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CITY OF VANCOUVER

By: ___________________________________
Name: ___________________________________
Its: ___________________________________

Approved as to Form:

By:___________________________________

By: Jonathan Young, City Attorney

State of Washington)
) ss.
County of Clark)

This record was acknowledged before me on ___________________________, 2021 by _______________________________ as _______________________________of the City of Vancouver, a Washington municipal corporation.

Dated: _____________________, 2021.

Notary Seal

____
Notary Public for Washington

Name of Notary

My appointment expires: ____________________

Housing Authority of the City of Vancouver,
a public body corporate and politic of the
State of Washington

____
Roy A. Johnson, Executive Director

State of Washington)
) ss.
County of Clark)

This record was acknowledged before me on ___________________________, 2021 by _______________________________ as ________________________________of Housing Authority of the City of Vancouver, a public body corporate and politic of the State of Washington.

Dated: _____________________, 2021.

Notary Seal

____
Notary Public for Washington

Name of Notary

My appointment expires: ____________________

EXHIBIT A

Legal Description of the City Parcel

A portion of the Robert Rockets Donation Land Claim (D.L.C.) in the Southwest quarter of the Southwest quarter of Section 24, Township 2 North, Range 1 East, Willamette Meridian, City of Vancouver, Clark County, Washington, described as follows:

Beginning at concrete monument with triangular brass cap in case with cover marking the Southwest corner of the Joseph Durgan Donation Land Claim (said point also being on the North line of the Edward Moore Donation Land Claim and also being on the East Right-of-Way Line of Norris Road);

Thence North 88°54'01" West, along the North line of said Edward Moore Donation Land Claim, for a distance of 50.00 feet to a 1/2" iron pipe set in a survey for "Fourth Plains School" by U. Ernest Nelson in May and October 1944 and recorded in Clark County Surveyor Bin File No. 251-G (said point bears South 88°54'01" East, 319.61 feet from a concrete monument with 2" brass disc marking the Northwest corner of the Edward Moore Donation Land Claim);

Thence North 00°58'44" East, along the West Right-of-Way Line of Norris Road parallel with and 50.00 feet West measured at right angles to the West line of the Joseph Durgan Donation Land Claim, for a distance of 293.67 feet to the TRUE POINT OF BEGINNING;

Thence continuing North 00°58'44" East, along said West Right-of-Way Line, for a distance of 201.62 feet;

Thence leaving said West Right-of-Way Line, North 81°44'54" West, for a distance of 468.31 feet to the East line of the "Kadow Tract" as described under Clark County Auditor's File Number F-53945 (recorded February 6, 1946);

Thence South 01°32'22" West, along the East line of said "Kadow Tract". For a distance of 201.38 feet;

Thence leaving said East line, South 81°44'54" East, for a distance of 470.30 feet to the TRUE POINT OF BEGINNING.

EXCEPT that portion conveyed in Deed of Dedication to the City of Vancouver, a municipal corporation of the State of Washington on November 19, 2018 under Auditor's File No. 5565215.

EXHIBIT B

Legal Description of the Commons Parcel

A portion of the Robert Rockett Donation Land Claim (D.L.C.) in the Southwest quarter of the Southwest quarter of Section 24, Township 2 North, Range 1 East, Willamette Meridian, City of Vancouver, Clark County, Washington, described as follows:

Beginning at concrete monument with triangular brass cap in case with cover marking the Southwest corner of the Joseph Durgan Donation Land Claim (said point also being on the North line of the Edward Moore Donation Land Claim and also being on the East Right-of-Way Line of Norris Road);

Thence North 88°54'01" West, along the North line of said Edward Moore Donation Land Claim, for a distance of 50.00 feet to a 1/2" iron pipe set in a survey for "Fourth Plains School" by U. Ernest Nelson in May and October 1944 and recorded in Clark County Surveyor Bin File No, 251-G (said point bears South 88°54'01" East, 319.61 feet from a concrete monument with 2" brass disc marking the Northwest corner of the Edward Moore Donation Land Claim);

Thence North 00°58'44" East, along the West Right-of-Way Line of Norris Road parallel with and 50.00 feet West measured at right angles to the West line of the Joseph Durgan Donation Land Claim, for a distance of 495.29 feet to the TRUE POINT OF BEGINNING;

Thence continuing North 00°58'44" East, along said West Right-of-Way Line, for a distance of 201.62 feet to the South Right-of-Way Line of East Fourth Plain Boulevard;

Thence North 81°44'54" West, along said South Right-of-Way Line, for a distance of 306.78 feet;

Thence leaving said South Right-of-Way Line, South 01°32'22" West, for a distance of 150.00 feet;

Thence North 88°26'58" West, for a distance of 158.45 feet to the East line of the "Kadow Tract" as described under Clark County Auditor's File Number F-53945 (recorded February 6, 1946);

Thence South 01°32'22" West, along the East line of said "Kadow Tract", for a distance of 32.76 feet;

Thence leaving said East line, South 81°44'54" East, for a distance of 468.31 feet to the TRUE POINT OF BEGINNING.

EXHIBIT C

Legal Description of the Easement Area

A portion of that tract of land labeled and described as “Exhibit B – BLA PARCEL 2” in that BOUNDARY LINE ADJUSTMENT deed under Clark County Auditor's File Number 5238922 BLA (recorded December 9, 2015), located in a portion of the Robert Rockets Donation Land Claim (D.L.C.) in the Southwest quarter of the Southwest quarter of Section 24, Township 2 North, Range 1 East, Willamette Meridian, City of Vancouver, Clark County, Washington, described as follows:

Beginning at a concrete monument marking the Southwest corner of the Joseph Durgan Donation Land Claim (said point also being on the North line of the Edward Moore Donation Land Claim and also being on the East Right-of-Way Line of Norris Road); Thence North 88°54'01" West, 50.00 feet, along the North line of said Edward Moore Donation Land Claim to the West Right-of-Way Line of Norris Road; Thence North 00°58'44" East, 293.67 feet along said West Right-of-Way Line of Norris Road to the Southeast corner of said BLA-Parcel 2; Thence leaving said West Right-of-Way Line along the southerly line of BLA-Parcel 2 North 81°44'54" West, 319.95 feet to the **TRUE POINT OF BEGINNING**; Thence continuing along the southerly line of BLA-Parcel 2, North 81°44'54" West, 150.34 feet to the southeast corner, also being a point on the East line of the "Kadow Tract" as described under Clark County Auditor's File Number F-53945 (recorded February 6, 1946); Thence North 01°32'22" East 201.38 feet along the East line of said "Kadow Tract" and west line of said BLA-Parcel 2 to the northwest corner thereof and the southwest corner of BLA-Parcel 1 per said Auditors file Number 5238922; Thence along the southerly line of said BLA-PARCEL 1 and Northerly line of said BLA-Parcel 2, South 81°44'54" East, 173.88 feet to a point; Thence South 8°15'06" West, 200.0 feet the **TRUE POINT OF BEGINNING**. Containing 32,422 square feet or 0.744 acres more or less.

Subject to Easements and Restrictions of Record.

Bearings based on survey #68-12, Washington state plane NAD83 (2011), south zone Washington state reference network.

EXHIBIT D

Depiction of the Easement Area

[TO BE INSERTED]

MEMORANDUM

DATE: Friday, November 5, 2021

TO: Mayor and City Councilmembers

FROM: Council Committee 2 (Stober, Paulsen and Lebowsky)

CC: Eric J. Holmes, City Manager
Shannon Ripp, Boards & Commissions

RE: **Recommendation for Appointment on the Building and Fire Code Commission**

The Building and Fire Code Commission advises City Council on building and fire codes and all proposed code changes; hears appeals of building official and fire code interpretations.

Council Committee 2 recently conducted interviews to fill two seats on the Building and Fire Code Commission. They recommend the reappointment of incumbent John Gentry and the appointment of Jimmy Stewart, with terms beginning January 31, 2022, and expiring January 31, 2028.

If there are no objections, they would like to make this appointment at the **Monday, November 8, 2021** Council meeting.

Attachments:
Letter from Incumbent
Application
Current Roster

MEMORANDUM

DATE: Tuesday, November 2, 2021

TO: Mayor and City Councilmembers

FROM: Council Subcommittee 1 (Glover and Fox)

CC: Eric J. Holmes, City Manager
Shannon Ripp, Boards & Commissions

RE: **Recommendation for Appointment to the Lodging Tax Advisory Committee**

The Lodging Tax Advisory Committee is a volunteer body that makes recommendations to the Vancouver City Council about how that tax revenue is spent. Over the years, the committee has helped award hundreds of thousands of dollars in lodging tax grants to local projects and events that increase tourism in the city.

During 2020, operations of LTAC were halted due to the effects of the pandemic and within that time the terms on LTAC had expired. After a recent recruitment and subsequent reappointment of the seven previous LTAC incumbents, the eighth seat remained and a recruitment for that was just concluded.

Subcommittee 1 interviewed for this mid-term appointment and they recommend appointing Jennifer Kenney, with a term beginning immediately and expiring September 30, 2022.

If there are no objections, they would like to make this appointment at the **Monday, November 8, 2021** Council meeting.

Attachments:
Applications
Roster

VOUCHER APPROVAL

We, the undersigned council members of the City of Vancouver, Clark County, Washington, do hereby certify that the merchandise or services hereinafter specified have been received and that the vouchers listed below are approved for payment in the amount of:

$ 6,117,453.55	**this 8th day of November 2021.**

MAYOR

COUNCILMEMBER

Natasha Ramras

AUDITING OFFICER

COUNCILMEMBER

DATE	INCLUSIVE CHECK NUMBERS	CHECK TOTAL
October 26, 2021 - November 1, 2021	Accounts Payable Checks (see attached)	**$ 6,050,863.63**
October 26, 2021 - November 1, 2021	Hansen City Payments (see attached)	**$ 13,062.01**
October 26, 2021 - November 1, 2021	Visa Refunds (see attached)	**$ 1,395.12**
October 26, 2021 - November 1, 2021	Payroll Checks (see attached)	**$ 52,132.79**
TOTAL		**$ 6,117,453.55**

INVOICE PAYMENTS REPORT

Payment Category	Payment Type	Check Number	Payment Date	Payment Amount	Payment Payee	Payment Memo if applicable
Supplier Payment	Manual Wire	No Reference	10/4/2021	136,931.97	Bank Of America N.A. - Remit-To: Account Analysis	
Supplier Payment	Manual Wire	No Reference	10/26/2021	925,899.31	Internal Revenue Service	
Supplier Payment	Manual Wire	No Reference	10/26/2021	28,300.72	State of Oregon Department of Revenue	
Supplier Payment	Manual Wire	No Reference	10/26/2021	449,720.29	State of Washington Department of Revenue	
Supplier Payment	Manual Wire	No Reference	10/27/2021	9,722.53	Bank Of America N.A. - Remit-To: Charlotte NC	
Supplier Payment	Manual Wire	No Reference	10/28/2021	25,122.59	Gallagher Bassett Services Inc	
Supplier Payment	Manual Wire	No Reference	10/28/2021	972.00	State of Washington Department of Licensing - Remit-To: DOL - Seattle Remit	
Supplier Payment	Manual Wire	No Reference	10/29/2021	653,987.97	Clark County - Remit-To: Clark County - Treasurer Vancouver	
Supplier Payment	Manual Wire	No Reference	10/29/2021	345,769.68	Kaiser Permanente - Remit-To: Kaiser Permanente	
Supplier Payment	Manual Wire	No Reference	10/29/2021	717,103.84	State of Washington Department of Retirement System (PERS)	
Supplier Payment	Manual Wire	No Reference	11/1/2021	383,987.65	Blue Cross Blue Shield of Oregon	
Supplier Payment	Manual Wire	No Reference	11/1/2021	3,938.02	Internal Revenue Service	
Supplier Payment	Manual Wire	No Reference	11/1/2021	13,078.14	Washington Dental Service	
Expense Payment	Direct Deposit	EFT-00122220	10/28/2021	303.85	Shane LaBeck	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00122221	10/28/2021	260.00	Trever Swain	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00122222	10/28/2021	36.88	Lisa Petersen	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00122223	10/28/2021	90.00	Brittany Bridger	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00122224	10/28/2021	917.47	Jason VanderZanden	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00122225	10/28/2021	91.10	Brian Viles	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00122226	10/28/2021	59.25	Jamie Haske	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00122227	10/28/2021	345.00	Chris Concannon	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00122228	10/28/2021	209.99	Sheila Andrews	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00122229	10/28/2021	150.00	Mark Person	Employee Reimbursement
Cash Advance Payment	Direct Deposit	EFT-00122230	10/28/2021	308.50	David Sturbelle	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00122231	10/28/2021	439.50	Charlie Ahn	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00122232	10/28/2021	334.50	Kevin Barton	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00122233	10/28/2021	334.50	Sean Dumas	Travel Advance
Cash Advance Payment	Direct Deposit	EFT-00122234	10/28/2021	334.50	Darren McShea	Travel Advance
Expense Payment	Direct Deposit	EFT-00122235	10/28/2021	16.74	Robert Givens	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00122236	10/28/2021	168.34	Ashley Brown	Employee Reimbursement
Supplier Payment	EFT	EFT-00122237	10/28/2021	1,937.50	Six Degrees Inc	
Supplier Payment	EFT	EFT-00122238	10/28/2021	26,182.51	Mead and Hunt Inc	
Supplier Payment	EFT	EFT-00122239	10/28/2021	44,799.96	ConvergeOne Inc	
Supplier Payment	EFT	EFT-00122240	10/28/2021	22,894.34	CH2M Hill Engineers Inc	

INVOICE PAYMENTS REPORT

Payment Category	Payment Type	Check Number	Payment Date	Payment Amount	Payment Payee	Payment Memo if applicable
Supplier Payment	EFT	EFT-00122241	10/28/2021	631,456.37	Operations Management International Inc	
Supplier Payment	EFT	EFT-00122242	10/28/2021	21,645.25	Metereaders LLC	
Supplier Payment	EFT	EFT-00122243	10/28/2021	6,000.00	Arbutus Consulting LLC	
Supplier Payment	EFT	EFT-00122244	10/28/2021	6,060.11	Council for the Homeless	
Supplier Payment	EFT	EFT-00122245	10/28/2021	43,817.34	Share Inc	
Supplier Payment	EFT	EFT-00122246	10/28/2021	444.85	Fire Systems West	
Supplier Payment	EFT	EFT-00122247	10/28/2021	470.00	Rotschy Inc	
Supplier Payment	EFT	EFT-00122248	10/28/2021	8,888.86	Second Step Housing	
Supplier Payment	EFT	EFT-00122249	10/28/2021	18,648.03	Outsiderinn.org	
Supplier Payment	EFT	EFT-00122250	10/28/2021	620.39	Bridgeview Housing	
Supplier Payment	EFT	EFT-00122251	10/28/2021	162.77	MPGTandem	
Supplier Payment	EFT	EFT-00122252	10/28/2021	1,811.88	Lifeline Connections	
Supplier Payment	EFT	EFT-00122253	10/28/2021	1,158.78	George Elevator Service LLC	
Supplier Payment	EFT	EFT-00122254	10/28/2021	12,320.18	Consolidated Electrical Distribution	
Supplier Payment	EFT	EFT-00122255	10/28/2021	2,896.80	Boys and Girls Clubs of Southwest Washington	
Customer Refund	Check	26061	10/27/2021	20.00	ANNE-MARIE BARHITTE	STAYS overpayment
Customer Refund	Check	26062	10/27/2021	30.55	ASHLEY N RAMON	STAYS overpayment
Customer Refund	Check	26063	10/27/2021	366.00	EDITH VALDEZ	Reissued due to ck #17709 expired
Supplier Payment	Check	26064	10/27/2021	138.61	Aramark Uniform & Career Apparel LLC - Remit-To: Aramark - Pasadena	
Supplier Payment	Check	26065	10/27/2021	1,339.98	Arborscape Ltd Inc	
Supplier Payment	Check	26066	10/27/2021	439.96	Archaelogical Investigations Northwest Inc	
Supplier Payment	Check	26067	10/27/2021	31,914.77	Brown and Caldwell - Remit-To: Brown & Caldwell - San Francisco	
Supplier Payment	Check	26068	10/27/2021	400.00	BSK Associates - Remit-To: Supplier BSK Associates	
Supplier Payment	Check	26069	10/27/2021	73,408.08	Clark County - Remit-To: Clark County - Treasurer Vancouver	
Supplier Payment	Check	26070	10/27/2021	10,500.00	Colliers International Valuation & Advisory Services LLC	
Supplier Payment	Check	26071	10/27/2021	3,515.05	Columbia West Engineering	
Supplier Payment	Check	26072	10/27/2021	8,566.19	Fire, Health & Safety Equipment Co., Inc	
Supplier Payment	Check	26073	10/27/2021	26,736.90	Frontier Precision Inc	
Supplier Payment	Check	26074	10/27/2021	1,710.00	Gordon Tilden Thomas & Cordell LLP	
Supplier Payment	Check	26075	10/27/2021	1,578.84	Gordon Truck Centers	
Supplier Payment	Check	26076	10/27/2021	9,054.60	Harper Houf Peterson Righellis Inc	
Supplier Payment	Check	26077	10/27/2021	1,131.39	Industrial Scientific Corporation - Remit-To: Industrial Scientific Corp - Pittsburgh	
Supplier Payment	Check	26078	10/27/2021	2,023.00	JCI Jones Chemicals, Inc.	
Supplier Payment	Check	26079	10/27/2021	3,677.50	Kearns & West Inc	
Supplier Payment	Check	26080	10/27/2021	349,951.13	Kirby Nagelhout Construction Company	
Supplier Payment	Check	26081	10/27/2021	4,994.80	Leupold & Stevens Inc	
Supplier Payment	Check	26082	10/27/2021	740.00	Marquam Group LTD	
Supplier Payment	Check	26083	10/27/2021	27,233.50	Mather and Sons Pump Service Inc	
Supplier Payment	Check	26084	10/27/2021	1,277.98	McFarlanes Bark Inc	
Supplier Payment	Check	26085	10/27/2021	360.00	Michael's Messenger Service Inc	
Supplier Payment	Check	26086	10/27/2021	10,973.17	Mill Plain Electric	
Supplier Payment	Check	26087	10/27/2021	5,131.00	Moss Adams LLP - Remit-To: Moss Adams LLP Pasadena	
Supplier Payment	Check	26088	10/27/2021	3,139.20	NAVEX Global Inc - Remit-To: NAVEX Global Inc	
Supplier Payment	Check	26089	10/27/2021	4,465.00	Newco Inc.	

*Please contact Procurement Services if you would like to review the justification for EMERGENCY procurement.

INVOICE PAYMENTS REPORT

Payment Category	Payment Type	Check Number	Payment Date	Payment Amount	Payment Payee	Payment Memo if applicable
Supplier Payment	Check	26090	10/27/2021	17,391.79	New West Group, Inc	
Supplier Payment	Check	26091	10/27/2021	78.62	Northwest Cascade Inc	
Supplier Payment	Check	26092	10/27/2021	22.00	Northwest Natural Gas Company - Remit-To: NW Natural - Portland	
Supplier Payment	Check	26093	10/27/2021	4,546.76	Northwest Staffing Resources Inc - Remit-To: NW Staffing - Portland	
Supplier Payment	Check	26094	10/27/2021	90,100.08	OSW Equipment & Repair, LLC - Remit-To: OSW Equipment & Repair, LLC	
Supplier Payment	Check	26095	10/27/2021	14,743.33	PC Specialists Inc - Remit-To: TIG - San Diego	
Supplier Payment	Check	26096	10/27/2021	2,326.32	PPC Solutions Inc	
Supplier Payment	Check	26097	10/27/2021	66,907.50	Scott Edwards Architecture LLP	
Supplier Payment	Check	26098	10/27/2021	40,612.91	Selectron Technologies	
Supplier Payment	Check	26099	10/27/2021	371.84	Software House International SHI - Remit-To: SHI - Dallas	
Supplier Payment	Check	26100	10/27/2021	780.00	State of Washington Department of Ecology - Remit-To: State of Washington Department of Ecology	
Supplier Payment	Check	26101	10/27/2021	45,600.00	State of Washington Department of Employment Security - Remit-To: State of Washington Department of Employment Security / Seattle	
Supplier Payment	Check	26102	10/27/2021	1,356.25	The F.A. Bartlett Tree Expert Co	
Supplier Payment	Check	26103	10/27/2021	14,913.15	The Salvation Army	
Supplier Payment	Check	26104	10/27/2021	1,747.42	Triple J Enterprises	
Supplier Payment	Check	26105	10/27/2021	4,762.60	Univar Solutions USA Inc - Remit-To: Supplier Univar Solutions USA Inc	
Supplier Payment	Check	26106	10/27/2021	28.00	Vancouver Aire LLC	
Supplier Payment	Check	26107	10/27/2021	5,461.19	Walter E Nelson Company	
Supplier Payment	Check	26108	10/27/2021	900.00	Washington Economic Development Association	
Supplier Payment	Check	26109	10/27/2021	171.91	Waste Connections of Washington - Remit-To: Waste Connections - Vancouver	
Supplier Payment	Check	26110	10/27/2021	28,375.65	Whitney Equipment Company Inc	
Supplier Payment	Check	26111	10/27/2021	10,821.25	Xchange Recovery	
Supplier Payment	Check	26112	10/27/2021	84.56	XPO Logistics Enterprise Services, Inc - Remit-To: XPO - Portland	
Supplier Payment	Check	26113	10/27/2021	26,097.13	Angelo Property Co., LP	
Supplier Payment	Check	26114	10/27/2021	450,777.95	Clark Public Utility District No. 1	
Ad Hoc Payment	Check	26115	10/27/2021	163.70	Acero 136th East, LLC	SDP-307137
Ad Hoc Payment	Check	26116	10/27/2021	524.00	Allen,Timothy	Utility Refunds: 0500001078-02 Consolidated refund created from multiple refunds
Ad Hoc Payment	Check	26117	10/27/2021	74.39	Andrew Childress	MPE-309472
Ad Hoc Payment	Check	26118	10/27/2021	316.05	Barton,Rebecca and Josiah	Utility Refunds: 0006036100-03
Ad Hoc Payment	Check	26119	10/27/2021	261.00	Bevens Trustee,Dan and Donna	Utility Refunds: 0068033100-00 Consolidated refund created from multiple refunds
Ad Hoc Payment	Check	26120	10/27/2021	136.06	Birdwell,Janice L	Utility Refunds: 0063800220-05
Ad Hoc Payment	Check	26121	10/27/2021	130.00	Boardman,Gill	Utility Refunds: 0004013600-04 Consolidated refund created from multiple refunds
Ad Hoc Payment	Check	26122	10/27/2021	76.72	Brinster,Denise	Utility Refunds: 0082006300-06
Ad Hoc Payment	Check	26123	10/27/2021	462.88	Buhman,Michelle	Utility Refunds: 0108003439-05 Consolidated refund created from multiple refunds
Ad Hoc Payment	Check	26124	10/27/2021	107.97	CHERYL CASEY AND MARK HAILDORSON	Utility Refunds: 0082004000-26
Ad Hoc Payment	Check	26125	10/27/2021	900.00	Clark County Title	Refund: Reconveyance payoff loan Guevara, Mellott, Payne
Ad Hoc Payment	Check	26126	10/27/2021	63.02	Close,Jessica	Utility Refunds: 0000003276-04
Ad Hoc Payment	Check	26127	10/27/2021	41.26	Curry,Kandi	Utility Refunds: 0039060000-18

*Please contact Procurement Services if you would like to review the justification for EMERGENCY procurement.

INVOICE PAYMENTS REPORT

Payment Category	Payment Type	Check Number	Payment Date	Payment Amount	Payment Payee	Payment Memo if applicable
Ad Hoc Payment	Check	26128	10/27/2021	702.88	Danylyuk,Lyubov	Utility Refunds: 0000006180-02
Ad Hoc Payment	Check	26129	10/27/2021	195.50	Discovery Development INC	ROW-298317
Ad Hoc Payment	Check	26130	10/27/2021	45.00	Don Tankersley Construction WA LTD	WTR-307146
Ad Hoc Payment	Check	26131	10/27/2021	1,298.84	Enrique Mattison	Claim Payment - DOL: 12/03/20 - Risk
Ad Hoc Payment	Check	26132	10/27/2021	59.51	Eric Olson Electric Inc	MPE-309831
Ad Hoc Payment	Check	26133	10/27/2021	360.00	Fine Swine INC	Refund: Bus lic fees COVID-19 surch ref prog
Ad Hoc Payment	Check	26134	10/27/2021	7,000.00	Frieda Alexander	Claim Payment - DOL: 09/19/21 - Risk
Ad Hoc Payment	Check	26135	10/27/2021	234.39	Gabriel A Cox and Sedina Kesko	Utility Refunds: 0138001678-04
Ad Hoc Payment	Check	26136	10/27/2021	50.00	Glen Johnson	Refund: alarm billing acct 51764 inv 99455223
Ad Hoc Payment	Check	26137	10/27/2021	4.90	Good To Go!	19450522
Ad Hoc Payment	Check	26138	10/27/2021	457.22	Greger,Ronda and James	Utility Refunds: 0164002002-01
Ad Hoc Payment	Check	26139	10/27/2021	1,969.00	Harper's Playground	LUP-81804
Ad Hoc Payment	Check	26140	10/27/2021	66.45	Haskin Electric Inc	MPE-308135
Ad Hoc Payment	Check	26141	10/27/2021	14.53	JMQUANN LLC	Utility Refunds: 0109000846-13
Ad Hoc Payment	Check	26142	10/27/2021	17.24	JOHN AND NIAOMI MICU	Utility Refunds: 0115030592-02
Ad Hoc Payment	Check	26143	10/27/2021	193.11	La Roche,Judith	Utility Refunds: 0000003142-03 Consolidated refund created from multiple refunds
Ad Hoc Payment	Check	26144	10/27/2021	180.00	Larry Adams	Claim Payment - DOL: 08/06/21 - Risk
Ad Hoc Payment	Check	26145	10/27/2021	403.68	Lawhon,Nicholas	Utility Refunds: 0068021400-02
Ad Hoc Payment	Check	26146	10/27/2021	240.00	MCCLAFFERTY,CHRISTINE	Utility Refunds: 0004037800-04
Ad Hoc Payment	Check	26147	10/27/2021	178.77	MICHAEL AND GLORIA STONER	Utility Refunds: 0096043100-09
Ad Hoc Payment	Check	26148	10/27/2021	104.30	Miller,Peggy	Utility Refunds: 0500003120-03
Ad Hoc Payment	Check	26149	10/27/2021	20.00	Papa Murphy's #191	Refund: alarm billing acct 19253 invoice 99453821
Ad Hoc Payment	Check	26150	10/27/2021	20.00	PCS	Refund: Alarm billing Kevin Clark acct 51435 inv 99415087
Ad Hoc Payment	Check	26151	10/27/2021	120.53	Pera,Margaret	Utility Refunds: 0000004813-02
Ad Hoc Payment	Check	26152	10/27/2021	199.00	PRASAD,RAKESH	Utility Refunds: 0500002318-03
Ad Hoc Payment	Check	26153	10/27/2021	53.00	Quad Investments	Refund: CIVICGOV inv 77035908 cust 720684
Ad Hoc Payment	Check	26154	10/27/2021	146.13	Robert Dean Clawson IV Estate	Utility Refunds: 0062073700-04
Ad Hoc Payment	Check	26155	10/27/2021	50.27	Romero,Domingo and Maria	Utility Refunds: 0104300352-10
Ad Hoc Payment	Check	26156	10/27/2021	15.96	ROTSCHY INC	Utility Refunds: 0000009213-07
Ad Hoc Payment	Check	26157	10/27/2021	107.91	Russell Grattan and Jeannette Ellis	Utility Refunds: 0070002778-05
Ad Hoc Payment	Check	26158	10/27/2021	374.16	Saverchenko,Daniel P and Rachel	Utility Refunds: 0057038968-03
Ad Hoc Payment	Check	26159	10/27/2021	123.51	Sean Richard Warner II and Mikayla Rose Ballard	Utility Refunds: 0023032924-08
Ad Hoc Payment	Check	26160	10/27/2021	91.92	Smith,Rex	Utility Refunds: 0093043100-09 Consolidated refund created from multiple refunds
Ad Hoc Payment	Check	26161	10/27/2021	265.95	Sokol,Victoria and Yaroslav	Utility Refunds: 0000005866-03 Consolidated refund created from multiple refunds
Ad Hoc Payment	Check	26162	10/27/2021	80.00	Tej-Joth LLC	Refund: CIVICGOV inv 77032941 cust 111961
Ad Hoc Payment	Check	26163	10/27/2021	1,093.55	Ten Talents Investments 16 LLC	Utility Refunds: 0500002830-01
Ad Hoc Payment	Check	26164	10/27/2021	104.67	TERRY M AND ANN E TESS	Utility Refunds: 0074069544-02
Ad Hoc Payment	Check	26165	10/27/2021	221.00	White,Christopher	Utility Refunds: 0006072800-07
Ad Hoc Payment	Check	26166	10/27/2021	20.00	WH Kilkenny Co LLC	Refund: Alarm Billing acct 10060 inv 99453259
Ad Hoc Payment	Check	26167	10/27/2021	75.21	Willis,Jay and Wendie	Utility Refunds: 0007039900-25
Supplier Payment	Check	26168	10/29/2021	65,702.33	State of Washington Department of Revenue	
			SUBTOTAL	**6,050,863.63**		
Hansen			11/1/2021	13,062.01	City Payments	Posted 10-25-21 thru 10-31-21

*Please contact Procurement Services if you would like to review the justification for EMERGENCY procurement.

INVOICE PAYMENTS REPORT

Payment Category	Payment Type	Check Number	Payment Date	Payment Amount	Payment Payee	Payment Memo if applicable
			SUBTOTAL	**13,062.01**		
Visa			11/1/2021	662.12	Miscellaneous	Parks Class Refunds - FCC 10-25-21 thru 10-31-21
Visa			11/1/2021	733.00	Miscellaneous	Parks Class Refunds - MCC 10-25-21 thru 10-31-21
Visa			11/1/2021	-	Miscellaneous	Parks Class Refunds - Special Events 10-25-21 thru 10-31-21
Visa			11/1/2021	-	Miscellaneous	Parks Class Refunds - WREC 10-25-21 thru 10-31-21
			SUBTOTAL	**1,395.12**		
			TOTAL	**6,065,320.76**		

*Please contact Procurement Services if you would like to review the justification for EMERGENCY procurement.

City of Vancouver
Payroll Council Report
October 26, 2021 - November 1, 2021

Check No.	Date	Explanation	Amount
3454-3457	09/30/21	9 2021 Pension Payroll	$ 4,770.22
122171-122219	09/30/21	9 2021 Pension Direct Deposits	$ 47,362.57

$ 52,132.79

Item #6.

Staff Report 164-21

TO: Mayor and City Council

FROM: Eric Holmes, City Manager

DATE: 11/8/2021

SUBJECT Section 108 Loan Ordinance for Fourth Plain Commons

Key Points

- The Fourth Plain Commons Project is a collaboration between the City of Vancouver and the Vancouver Housing Authority and consists of a 6-story building with a 9,758 square foot community center on the first floor and 106 affordable housing units on floors 2-6 on vacant land owned by the Vancouver Housing Authority (VHA).
- The first-floor community space (the "Commons Community Center") will consist of a community gathering space, an outdoor plaza with infrastructure for the Vancouver Farmer's Market and other events, a shared office space for on-site supportive services, and a commercial kitchen incubator to support food entrepreneurship and events.
- The City has received a commitment from HUD for a Section 108 loan of $4,199,000 to support the purchase (when completed) from the VHA and build out of the Commons Community Center. This loan was included in the Biennial Budget adopted by the Council on November 16, 2020.
- VHA's construction of the project will begin in November 2021 and will take approximately 13 months to complete.
- Council authorization is required to approve the attached ordinance with delegation to the City Manager to execute the required documents. The loan will utilize part of the City's outstanding debt capacity and is expected to be repaid over 20-years however the City always has the option to pay it off early with no penalty.
- The City plans to allocate $300,000 annually in CDBG funds to make payments on the Section 108 loan. Community Center Program income will also be used to repay the Section 108 loan.

Strategic Plan Alignment

Goal 3, Objective 3.2: Improve services available to underserved or vulnerable residents.

Present Situation

Fourth Plain Commons is a new-construction, mixed-use condominium project located in a low-income census tract (427.00) on the Fourth Plain Corridor. The development is a partnership between the City of Vancouver and the Vancouver Housing Authority and consists of two separate components: The Commons Community Center, with public plaza and outdoor playground, on the first floor and a 106-unit affordable housing development, located on floors 2-6. The CDBG funds will be used to support the purchase of the community center, plaza and shared space only. The Commons Community Center will consist of a 9,758-square-foot community space and is envisioned as a flexible area where people from the Fourth Plain community can gather, hold events, and access services. This space will include a commercial kitchen, office space for nonprofits to provide supportive services, a community gathering space, an outdoor space with infrastructure for a farmers market and food carts, and a space for business incubation for food entrepreneurship. The thirteen-month construction on this project is scheduled to begin in November 2021.

Following City Council approval for the Section 108 loan application on July 26, 2021, the City received a commitment from HUD (September 2021) for approval of a Section 108 Loan of approximately $4,199,000 to purchase and build out the community center and pay the cost of issuance. The Section 108 loan provides Community Development Block Grant (CDBG) jurisdictions the opportunity to leverage up to five times the jurisdiction's annual CDBG grant allocation. The loan is low-cost, flexible financing for economic development, public facility, and infrastructure projects. Initially the loan will be a variable rate note tied to three-month Treasury Auction Bill rate plus 35 basis points (0.35) but could eventually be converted to a fixed rate note. The Section 108 loan requires Council authorization and reduces the City's overall outstanding debt capacity. It commits the City to repay debt service for the next 20-years, however, the City always has the option to pay the loan off early with no penalty.

The City will set aside CDBG funds up to $300,000 annually to make the debt service payments. In addition, the City's full faith and credit is pledged as a repayment source, if CDBG grant funds are not sufficient to meet the annual debt service requirements.

Authorization of the ordinance will delegate to the City Manager to execute and deliver the required documents on behalf of the City to HUD.

Advantage(s)

1. Low interest rate financing source.
2. The project will provide services for underserved or vulnerable residents.

Disadvantage(s)

1. A portion ($300,000) of the annual CDBG funding allocation from HUD will be utilized for debt service on this note for up to 20-years.
2. A portion of the City's outstanding debt capacity will be utilized.

Budget Impact

The budget appropriation for the cost of the 2021 Section 108 Loan as well as bond issuance costs is included in the 2021-2022 Budget

Prior Council Review

- July 26, 2021 - Council authorization of Section 108 loan application (Staff Report 111-21)
- January 11, 2021 - City Council workshop, Fourth Plain Commons Update
- November 16, 2020 - Council adoption of Biennial Budget (Staff Report 166-20)
- August 3, 2020 - City Council briefing, Commons Funding Overview

Action Requested

On Monday November 8, 2021, subject to second reading and public hearing, approve the ordinance.

Peggy Sheehan, Community Development Programs Manager, 36-487-7952; Carrie Lewellen, City Treasurer, 360-487-8482

ATTACHMENTS:

- City of Vancouver - HUD Bond Ordinance (Note)
- HUD Form 7082 - Funding approval/agreement
- HUD Form 2880 - Applicant/Recipient Disclosure/Update Report

CITY OF VANCOUVER, WASHINGTON

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
SECTION 108 NOTE AND CONTRACT

ORDINANCE NO. M-____

AN ORDINANCE OF THE CITY OF VANCOUVER, WASHINGTON, APPROVING AND AUTHORIZING A LOAN GUARANTEE CONTRACT AND NOTE AND RELATED DOCUMENTS UNDER SECTION 108 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1974, AS AMENDED TO PROVIDE FUNDS FOR THE COMMONS COMMUNITY CENTER AS A PART OF THE FOURTH PLAIN COMMONS PROJECT AND DELEGATING AUTHORITY TO EXECUTE AND DELIVER THE NOTE AND THE CONTRACT AND RELATED DOCUMENTS.

APPROVED ON ____ , 2021

PREPARED BY:

K&L GATES LLP
Seattle, Washington

CITY OF VANCOUVER
ORDINANCE NO. M-_____
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Page

* This Table of Contents is provided for convenience only and is not a part of this ordinance.

ORDINANCE NO. M-_____

AN ORDINANCE OF THE CITY OF VANCOUVER, WASHINGTON, APPROVING AND AUTHORIZING A LOAN GUARANTEE CONTRACT AND NOTE AND RELATED DOCUMENTS UNDER SECTION 108 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1974, AS AMENDED TO PROVIDE FUNDS FOR THE COMMONS COMMUNITY CENTER AS A PART OF THE FOURTH PLAIN COMMONS PROJECT AND DELEGATING AUTHORITY TO EXECUTE AND DELIVER THE NOTE AND THE CONTRACT AND RELATED DOCUMENTS.

WHEREAS, the best interests of the inhabitants of the City of Vancouver, Washington (the "City") require that the City enter into a partnership with the Vancouver Housing Authority (the "VHA") known as the Fourth Plain Commons Project which consists of a six-story building with a community center of approximately 9,758 square feet on the first floor and 106 affordable housing units on floors 2-6 on land owned by the VHA (herein referred to as the "Project"); and

WHEREAS, RCW 35.21.735 authorizes cities to enter into agreements with the United States or any agency or department thereof for any lawful public purpose; and

WHEREAS, the City has applied for and received loan guarantee assistance through the U.S. Department of Housing and Development ("HUD") for the Project; and

WHEREAS, the City has been provided with a form of variable/fixed rate note to be executed in the amount of not to exceed $6,800,000 (the "Note"); and

WHEREAS, HUD's guarantee of the Note will be governed by a Contract for Loan Guarantee Assistance under Section 108 between the City and HUD (the "Contract"), in which the City pledges Community Development Block Grants pursuant to 24 CFR 570.705(b)(2) and its full faith and credit for the repayment thereof,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF VANCOUVER, WASHINGTON as follows:

Section 1. Authorization of the Project. The City plans to fund its share of the cost of the Project (the first floor Commons Community Center) through reimbursement to the VHA for construction and infrastructure costs. The City's share of the Project costs is expected to be paid from the U.S. Department of Housing and Urban Development Section 108 Note (the "Note"). This Project will consist of a community gathering space, an outdoor plaza with infrastructure for the Vancouver Farmer's Market and other events, a shared office space for on-site supportive services and a commercial kitchen incubator to support food entrepreneurship and events.

Section 2. Authorization of Note, Contract and Grant Agreement. For the purpose of paying the costs of the Project, the City shall enter into a Variable/Fixed Rate Note, referred to as Number B-20-MC-53-0013 in the Maximum Commitment Amount of $4,199,000 (the "Note"), to be guaranteed by the Secretary of Housing and Urban Development ("HUD") under section 108 of the Housing and Urban Development Act of 1974, as amended, 42 U.S.C. 5308 ("Section 108"). The Note will initially be issued to the interim lender, which will make advances to the City under the Note. HUD's guarantee of the Note will be governed by the Contract for Loan Guarantee Assistance under Section 108 between the City and HUD (the "Contract"), in which the City pledges Community Development Block Grants pursuant to 24 CFR 570.705(b)(2), as well as its full faith and credit as provided therein and herein, as security for HUD's guarantee.

Section 3. Form of and Execution of Note and Contract. The Council hereby authorizes the City Manager to execute and deliver the Note and the Contract on behalf of the City in substantially the forms on file in the Community Planning Department of the City (CDBG Program Manager), with only those insubstantial changes as shall have been approved by the City Manager. The City Manager is hereby further authorized to execute on behalf of the City all other documents necessary or desirable to accomplish the transactions contemplated by the Note and the

Contract. Such officer and each of the other appropriate officers, agents and representatives of the City are each hereby authorized and directed to take such steps, to do such other acts and things, and to execute such letters, certificates, agreements, papers, financing statements, assignments or instruments as in their judgment may be necessary, appropriate or desirable in order to carry out the terms and provisions of, and complete the transactions contemplated by this ordinance.

Section 4. Provision for Tax Levy Payments. No later than the date each payment of principal of and/or interest on the Note matures or becomes due and payable, the City shall transmit sufficient funds, from legally available sources for the payment of such principal and/or interest.

The City hereby irrevocably covenants and agrees for as long as the Note and Contract are outstanding and unpaid that each year it will include in its budget and levy an *ad valorem* tax upon all the property within the City subject to taxation in an amount that will be sufficient, together with all other revenues and money of the City legally available for such purposes, to pay the principal of and interest on the Note and other obligations under the Contract as the same shall become due.

The City hereby irrevocably pledges that the annual tax provided for herein to be levied for the payment of such principal and interest shall be within and as a part of the tax levy permitted to cities without a vote of the people, and that a sufficient portion of each annual levy to be levied and collected by the City prior to the full payment of the principal of and interest on the Note and other obligations under the Contract will be and is hereby irrevocably set aside, pledged and appropriated for the payment of the principal of and interest on the Note and other obligations of the City under the Contract. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of said taxes and for the prompt payment of the principal of and interest on the Note and other obligations under the Contract as the same shall become due.

Section 5. Prior Acts. All acts taken pursuant to the authority of this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 6. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Note or the Contract.

Section 7. Effective Date. This ordinance shall become effective immediately upon its adoption.

ADOPTED by the City Council of the City of Vancouver, Washington, at a regular meeting thereof held this ___ day of ____, 2021.

Read First Time:

PASSED by the following vote:

AYES:	______	Councilmembers
NAYS:	______	Councilmembers
ABSENT:	______	Councilmembers

Read Second Time:

PASSED by the following vote:

AYES:	______	Councilmembers
NAYS:	______	Councilmembers
ABSENT:	______	Councilmembers

SIGNED this ____ day of ______, 2021.

CITY OF VANCOUVER, WASHINGTON

____
Anne McEnerny-Ogle, Mayor

ATTEST:

____
Natasha Ramras, City Clerk

APPROVED AS TO FORM:

____
Jonathan Young, City Attorney

CERTIFICATE

I, the undersigned, City Clerk of the City of Vancouver, Washington (the “City”) and keeper of the records of the City Council (the “City Council”), DO HEREBY CERTIFY:

1. That the attached Ordinance is a true and correct copy of Ordinance No. M-____ of the City Council (the “Ordinance”), duly passed at a regular meeting thereof held on the ____ day of ______, 2021.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the City Council voted in the proper manner for the passage of the Ordinance; that all other requirements and proceedings incident to the proper passage of the Ordinance have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____, 2021.

____
City Clerk

505196150.1

CITY OF VANCOUVER

Summary of Ordinance No. M-___ passed ____, 2021

AN ORDINANCE OF THE CITY OF VANCOUVER, WASHINGTON, APPROVING AND AUTHORIZING A LOAN GUARANTEE CONTRACT AND NOTE AND RELATED DOCUMENTS UNDER SECTION 108 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1974, AS AMENDED TO PROVIDE FUNDS FOR THE COMMONS COMMUNITY CENTER AS A PART OF THE FOURTH PLAIN COMMONS PROJECT AND DELEGATING AUTHORITY TO EXECUTE AND DELIVER THE NOTE AND THE CONTRACT AND RELATED DOCUMENTS.

Section 1 (Authorization of the Project) authorizes the undertaking of the projects to be paid from the proceeds of the Note.

Section 2 (Authorization of Note, Contract and Grant Agreement) authorizes the City's "Variable/Fixed Rate Note" in the maximum commitment amount of $4,199,000 (the "Note") to provide funds to pay the costs of projects of the City.

Section 3 (Form of and Execution of Note and Contract) authorizes procedures for execution of the Note and Contract.

Section 4 (Provision for Tax Levy Payments) provides for the payment of debt service on the Note and provides for tax levies, if needed, as required to pay such debt service.

Section 5 (Prior Acts) ratifies and confirms acts taken pursuant to the authority of the ordinance but prior to its effective date.

Section 6 (Severability) provides that other covenants and agreements in the ordinance are not affected if one is made invalid.

Section 7 (Effective Date) provides that the ordinance shall become effective immediately upon adoption.

The full text of Ordinance No. M-_____ will be mailed without cost to any party requesting it from:

Carrie Lewellen, Treasurer
City of Vancouver
P.O. Box 1995
Vancouver, WA 98668-1995
Phone: (360) 619-1082
Fax: (360) 619-1083

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Community Development Block Grant Program

HI-00515R of 20515R

1. Name of Grantee (as shown in item 5 of Standard Form 424) City of Vancouver, WA	3. Grantee's 9-digit Tax ID Number 91-6001288	4. Date use of funds may begin (mm/dd/yyyy) 11/08/2021
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) PO Box 1995 Vancouver, WA 98668-1995	5a. Project/Grant No. 1 B-20-MC-53-0013	6a. Amount Approved
	5b. Project/Grant No. 2	6b. Amount Approved
	5c. Project/Grant No. 3	6c. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) Jessie Handforth Kome		Grantee Name City of Vancouver, WA	
Title Director, Office of Block Grant Assistance, DGB		Title Eric J. Holmes, City Manager	
Signature JESSIE KOME	Digitally signed by JESSIE KOME Date: 2021.09.03 08:58:40 -04'00' Date (mm/dd/yyyy)	Signature	Date (mm/dd/yyyy)

7. Category of Title I Assistance for this Funding Action (check only one)
- ☐ a. Entitlement, Sec 106(b)
- ☐ b. State-Administered, Sec 106(d)(1)
- ☐ c. HUD-Administered Small Cities, Sec 106(d)(2)(B)
- ☐ d. Indian CDBG Programs, Sec 106(a)(1)
- ☐ e. Surplus Urban Renewal Funds, Sec 112(b)
- ☐ f. Special Purpose Grants, Sec 107
- ☒ g. Loan Guarantee, Sec 108

8. Special Conditions (check one)
- ☐ None
- ☒ Attached

9a. Date HUD Received Submission (mm/dd/yyyy)

9b. Date Grantee Notified (mm/dd/yyyy)

9c. Date of Start of Program Year (mm/dd/yyyy)

10. check one
- ☒ a. Orig. Funding Approval
- ☐ b. Amendment
  Amendment Number

11. Amount of Community Development Block Grant	FY ( )	FY ( )	FY ( )
a. Funds Reserved for this Grantee			
b. Funds now being Approved			
c. Reservation to be Cancelled (11a minus 11b)			

12a. Amount of Loan Guarantee Commitment now being Approved
$4,199,000

12b. Name and complete Address of Public Agency
N/A

Loan Guarantee Acceptance Provisions for Designated Agencies:
The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.

12c. Name of Authorized Official for Designated Public Agency

Title

Signature

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176		Y					Project Number		Amount		
			Y					Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By

24 CFR 570 form HUD-7082 (4/93)

8. Special Conditions.

(a) In the event the City of Vancouver (the "City") fails to submit notes or other obligations for inspection and guarantee by the Secretary of Housing and Urban Development (the "Secretary") before September 30, 2022, the commitment will terminate and expire as of such date.

(b) The repayment schedule for the City's debt obligation, as defined in 24 CFR 570.701, must be acceptable to the Secretary.

(c) Pursuant to 24 CFR 570.705(b)(3), the City shall provide additional security for the Guaranteed Loan and such additional security must be acceptable to the Secretary. The additional security shall be identified in the Contract for Loan Guarantee Assistance specified by 24 CFR 570.705(b)(1), which will be executed at the time the guaranteed obligations are issued.

(d) Prior to submitting notes or other obligations for inspection and guarantee by the Secretary, the City shall submit information required under Section 102(b) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545). This information shall be submitted on Form HUD-2880 to HUD's Seattle Regional Office.

(e) The City is required to pay a fee of 2.15% of the principal amount of loan guaranteed and advanced under this Commitment to cover the credit subsidy costs as announced in the *Federal Register* on August 26, 2020 (85 FR 52479).

Applicant/Recipient Disclosure/Update Report

U.S. Department of Housing and Urban Development

OMB Approval No. 2510-0011 (exp. 11/30/2018)

Instructions. (See Public Reporting Statement and Privacy Act Statement and detailed instructions on page 2.)

Applicant/Recipient Information

Indicate whether this is an Initial Report ☐ **or an Update Report** ☐

1. Applicant/Recipient Name, Address, and Phone (include area code): City of Vancouver, WA PO Box 1995	2. Social Security Number or Employer ID Number: 91 6001288
3. HUD Program Name Section 108 Loan Program	4. Amount of HUD Assistance Requested/Received 4,199,000

5. State the name and location (street address, City and State) of the project or activity:
Vancouver, WA

Part I Threshold Determinations

1. Are you applying for assistance for a specific project or activity? These terms do not include formula grants, such as public housing operating subsidy or CDBG block grants. (For further information see 24 CFR Sec. 4.3).

☑ **Yes** ☐ **No**

2. Have you received or do you expect to receive assistance within the jurisdiction of the Department (HUD) , involving the project or activity in this application, in excess of $200,000 during this fiscal year (Oct. 1 - Sep. 30)? For further information, see 24 CFR Sec. 4.9

☐ **Yes** ☑ **No.**

If you answered "**No**" to either question 1 or 2, **Stop**! You do not need to complete the remainder of this form.
However, you must sign the certification at the end of the report.

Part II Other Government Assistance Provided or Requested / Expected Sources and Use of Funds.

Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name and Address	Type of Assistance	Amount Requested/Provided	Expected Uses of the Funds

(**Note**: Use Additional pages if necessary.)

Part III Interested Parties. You must disclose:

1. All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
2. any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds $50,000 or 10 percent of the assistance (whichever is lower).

Alphabetical list of all persons with a reportable financial interest in the project or activity (For individuals, give the last name first)	Social Security No. or Employee ID No.	Type of Participation in Project/Activity	Financial Interest in Project/Activity ($ and %)

(**Note**: Use Additional pages if necessary.)

Certification

Warning: If you knowingly make a false statement on this form, you may be subject to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosures of information, including intentional non-disclosure, is subject to civil money penalty not to exceed $10,000 for each violation.
I certify that this information is true and complete.

Signature: X	Date: (mm/dd/yyyy)

Public reporting burden for this collection of information is estimated to average 2.0 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection information unless that collection displays a valid OMB control number.

Privacy Act Statement. Except for Social Security Numbers (SSNs) and Employer Identification Numbers (EINs), the Department of Housing and Urban Development (HUD) is authorized to collect all the information required by this form under section 102 of the Department of Housing and Urban Development Reform Act of 1989, 42 U.S.C. 3531. Disclosure of SSNs and EINs is voluntary. HUD is authorized to collect this information under the Housing and Community Development Act of 1987 42 U.S.C.3543 (a). The SSN or EIN is used as a unique identifier. The information you provide will enable HUD to carry out its responsibilities under Sections 102(b), (c), and (d) of the Department of Housing and Urban Development Reform Act of 1989, Pub. L. 101-235, approved December 15, 1989. These provisions will help ensure greater accountability and integrity in the provision of certain types of assistance administered by HUD. They will also help ensure that HUD assistance for a specific housing project under Section 102(d) is not more than is necessary to make the project feasible after taking account of other government assistance. HUD will make available to the public all applicant disclosure reports for five years in the case of applications for competitive assistance, and for generally three years in the case of other applications. Update reports will be made available along with the disclosure reports, but in no case for a period generally less than three years. All reports, both initial reports and update reports, will be made available in accordance with the Freedom of Information Act (5 U.S.C. §552) and HUD's implementing regulations at 24 CFR Part 15. HUD will use the information in evaluating individual assistance applications and in performing internal administrative analyses to assist in the management of specific HUD programs. The information will also be used in making the determination under Section 102(d) whether HUD assistance for a specific housing project is more than is necessary to make the project feasible after taking account of other government assistance. You must provide all the required information. Failure to provide any required information may delay the processing of your application, and may result in sanctions and penalties, including imposition of the administrative and civil money penalties specified under 24 CFR §4.38.

Note: This form only covers assistance made available by the Department. States and units of general local government that carry out responsibilities under Sections 102(b) and (c) of the Reform Act must develop their own procedures for complying with the Act.

Instructions

Overview.

A. Coverage. You must complete this report if:
   (1) You are applying for assistance from HUD for a specific project or activity **and** you have received, or expect to receive, assistance from HUD in excess of $200,000 during the during the fiscal year;
   (2) You are updating a prior report as discussed below; or
   (3) You are submitting an application for assistance to an entity other than HUD, a State or local government if the application is required by statute or regulation to be submitted to HUD for approval or for any other purpose.

B. **Update reports (filed by "Recipients" of HUD Assistance): General**. All recipients of covered assistance must submit update reports to the Department to reflect substantial changes to the initial applicant disclosure reports.

Line-by-Line Instructions.

Applicant/Recipient Information.

All applicants for HUD competitive assistance, must complete the information required in blocks 1-5 of form HUD-2880:

1. Enter the full name, address, city, State, zip code, and telephone number (including area code) of the applicant/recipient. Where the applicant/recipient is an individual, the last name, first name, and middle initial must be entered.
2. Entry of the applicant/recipient's SSN or EIN, as appropriate, is optional.
3. Applicants enter the HUD program name under which the assistance is being requested.
4. Applicants enter the amount of HUD assistance that is being requested. Recipients enter the amount of HUD assistance that has been provided and to which the update report relates. The amounts are those stated in the application or award documentation. NOTE: In the case of assistance that is provided pursuant to contract over a period of time (such as project-based assistance under section 8 of the United States Housing Act of 1937), the amount of assistance to be reported includes all amounts that are to be provided over the term of the contract, irrespective of when they are to be received.
5. Applicants enter the name and full address of the project or activity for which the HUD assistance is sought. Recipients enter the name and full address of the HUD-assisted project or activity to which the update report relates. The most appropriate government identifying number must be used (e.g., RFP No.; IFB No.; grant announcement No.; or contract, grant, or loan No.) Include prefixes.

Part I. Threshold Determinations - Applicants Only

Part I contains information to help the applicant determine whether the remainder of the form must be completed. **Recipients filing Update Reports should not complete this Part.**

If the answer to ***either*** questions 1 or 2 is No, the applicant need not complete Parts II and III of the report, but must sign the certification at the end of the form.

Part II. Other Government Assistance and Expected Sources and Uses of Funds.

A. Other Government Assistance. This Part is to be completed by both applicants and recipients for assistance and recipients filing update reports. Applicants and recipients must report any other government assistance involved in the project or activity for which assistance is sought. Applicants and recipients must report any other government assistance involved in the project or activity. Other government assistance is defined in note 4 on the last page. For purposes of this definition, other government assistance is expected to be made available if, based on an assessment of all the circumstances involved, there are reasonable grounds to anticipate that the assistance will be forthcoming.

   Both applicant and recipient disclosures must include all other government assistance involved with the HUD assistance, as well as any other government assistance that was made available before the request, but that has continuing vitality at the time of the request. Examples of this latter category include tax credits that provide for a number of years of tax benefits, and grant assistance that continues to benefit the project at the time of the assistance request.

   The following information must be provided:

   1. Enter the name and address, city, State, and zip code of the government agency making the assistance available.
   2. State the type of other government assistance (e.g., loan, grant, loan insurance).
   3. Enter the dollar amount of the other government assistance that is, or is expected to be, made available with respect to the project or activities for which the HUD assistance is sought (applicants) or has been provided (recipients).
   4. Uses of funds. Each reportable use of funds must clearly identify the purpose to which they are to be put. Reasonable aggregations may be used, such as "total structure" to include a number of structural costs, such as roof, elevators, exterior masonry, etc.

B. Non-Government Assistance. Note that the applicant and recipient disclosure report must specify all expected sources and uses of funds - both from HUD ***and any other source*** - that have been or are to be, made available for the project or activity. Non-government sources of funds typically include (but are not limited to) foundations and private contributors.

Part III. Interested Parties.

This Part is to be completed by both applicants and recipients filing update reports. Applicants must provide information on:

1. All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
2. any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds $50,000 or 10 percent of the assistance (whichever is lower).

   Note: A financial interest means any financial involvement in the project or activity, including (but not limited to) situations in which an individual or entity has an equity interest in the project or activity, shares in any profit on resale or any distribution of surplus cash or other assets of the project or activity, or receives compensation for any goods or services provided in connection with the project or activity. Residency of an individual in housing for which assistance is being sought is not, by itself, considered a covered financial interest.

The information required below must be provided.

1. Enter the full names and addresses. If the person is an entity, the listing must include the full name and address of the entity as well as the CEO. Please list all names alphabetically.
2. Entry of the Social Security Number (SSN) or Employee Identification Number (EIN), as appropriate, for each person listed is optional.
3. Enter the type of participation in the project or activity for each person listed: i.e., the person's specific role in the project (e.g., contractor, consultant, planner, investor).
4. Enter the financial interest in the project or activity for each person listed. The interest must be expressed both as a dollar amount and as a percentage of the amount of the HUD assistance involved.

Note that if any of the source/use information required by this report has been provided elsewhere in this application package, the applicant need not repeat the information, but need only refer to the form and location to incorporate it into this report. (It is likely that some of the information required by this report has been provided on SF 424A, and on various budget forms accompanying the application.) If this report requires information beyond that provided elsewhere in the application package, the applicant must include in this report all the additional information required.

Recipients must submit an update report for any change in previously disclosed sources and uses of funds as provided in Section I.D.5., above.

Notes:

1. All citations are to 24 CFR Part 4, which was published in the Federal Register. [April 1, 1996, at 63 Fed. Reg. 14448.]
2. Assistance means any contract, grant, loan, cooperative agreement, or other form of assistance, including the insurance or guarantee of a loan or mortgage, that is provided with respect to a specific project or activity under a program administered by the Department. The term does not include contracts, such as procurements contracts, that are subject to the Fed. Acquisition Regulation (FAR) (48 CFR Chapter 1).
3. See 24 CFR §4.9 for detailed guidance on how the threshold is calculated.
4. "Other government assistance" is defined to include any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance from the Federal government (other than that requested from HUD in the application), a State, or a unit of general local government, or any agency or instrumentality thereof, that is, or is expected to be made, available with respect to the project or activities for which the assistance is sought.
5. For the purpose of this form and 24 CFR Part 4, "person" means an individual (including a consultant, lobbyist, or lawyer); corporation; company; association; authority; firm; partnership; society; State, unit of general local government, or other government entity, or agency thereof (including a public housing agency); Indian tribe; and any other organization or group of people.